

Item No. N/a	Classification: Open	Date: 15 March 2018	Meeting Name: Deputy Leader and Cabinet Member for Housing
Report title:		Tenant Fund Budget 2018/2019	
Wards or groups affected:		All	
From:		Director of Communities	

RECOMMENDATIONS

1. That the Cabinet member for housing approves the proposed 2018/19 Tenant Fund budget of £637K as summarised in Table 1 (contained at the end of this report) following consultation with the Tenant Fund Management Committee (TFMC) and Tenant Council (TC).
2. That the Cabinet member for housing notes and approves the grant budget for Southwark Group of Tenants Organisations (SGTO) of £232k for 2018/19 attached as Appendix 2 and the draft KPIs attached as Appendix 3.
3. That the Cabinet member for housing approves indicative, maximum budget expenditure for project continuation as specified. Where further evaluation, monitoring and scrutiny of project budget proposals is taking place officers will be responsible for authorising the amount to be allocated subject to the maximum project budgets contained in this report. If the need for any new projects is identified a separate report setting out the proposed project and funding sought will be brought to the Cabinet member.

BACKGROUND INFORMATION

4. The Tenant Fund was established in 1989 to fund and support the tenant movement and to provide grants to Tenants and Residents Associations (TRAs). The income in the fund is made up of a notional amount of tenants' rents, calculated at £0.27 per week per property for 2018/19. Further contributions are made to the fund from the Home Owner Fund for 27% of the amount actually paid to TRAs in grants during the course of the financial year.
5. The Tenant Fund base budget is set every year. The figure is derived from the current number of secure tenanted properties within housing management and is linked to the annual rent setting and rent collection rate so that the notional amount is adjusted upwards or downwards accordingly. The number of properties on which the budget is based for 2018/19 is 37,424 which shows a slight increase compared to 37,349 for 2017/18.
6. The 2018/19 budget has been set on the basis of the previous year's budget for the main budget elements which cover the primary purpose of the Tenant Fund.
 - Grants to TRAs
 - The grant to SGTO
 - Officer resources to provide training and support to TRAs.
7. In addition there are a number of projects for which budget provision is made. These support tenant and resident community participation. They include a small TRA grants programme for putting on community estate based events, a Digital Inclusion programme and external commissioned training provision additional to that provided by officers.

8. The Tenant Fund carry forward budget from the 2016/17 budget was £249k on 1 April 2017. It is anticipated that the carry forward at the start of 2018/19 will be £120k. The reduction in the carry forward budget compared to the previous year reflects the additional agreed expenditure on those projects referred to in paragraph 19 below during 2017/18. Some of these resources will be allocated after the end of the current financial year. This process of delayed budget allocation is linked to the timelines and process for Tenant Fund grant applications with a September cut-off date for awards for the previous financial year.
9. The number of payments made to TRAs to date in 2017/18 is 81 for a total of £143k.
10. TFMC has approved additional expenditure in the last two years to support partnership projects which the council led on developing:
 - £50k commitment for capital investment for a new community resource on the Old Kent Road known as the Livesey Exchange
 - £20k contribution towards the cost of the *Safe as Houses* social research report into the impact of Universal Credit (UC) roll-out among affected social housing tenants in Southwark

The funding commitment was from the Tenant Fund carry forward budget.

TFMC's support for these projects reflects a commitment to support tenants and residents affected by significant major changes in the areas of regeneration and the welfare benefits system and to ensure that wherever possible the impact of these are understood and mitigated.

KEY ISSUES FOR CONSIDERATION

11. There has been a slight reduction in the budget for 2018/19 which reflects the 1% rent decrease, the adjustment for the rent collection rate and the slight increase in the number of secure tenanted properties.
12. The TRA grant payable in 2018/19 will remain at the level set in 2017/18 when it was increased. The basic level is £1,300 for estates where the property count does not exceed 240 tenancies. For estates where there are more than 240 tenancies an additional amount of £5.50 per tenancy is allowed. The previous increase was in 2015/16 which was the first increase since 2006. The current TRA grant allocation is available to meet the costs that TRAs need to function with TRAs responsible for determining how the grant is spent and being accountable to their members for this.
13. TRAs are also able to access a range of other sources of income including other council funding streams. These include:
 - Tenant Fund Small Grants Scheme of up to £1k for estate based events aimed at the whole community – a maximum of one per TRA per year
 - Neighbourhood Fund grants
 - Tenants and Residents Social Improvement Grants (TRSIG)
 - Cleaner Greener Safer grants
 - Funding from independent funders such as United St Saviours
 - TRAs that manage halls can generate income from this source
14. In the last couple of years, the work that TFMC and officers had invested in reviewing elements of the Tenant Fund, with the aim of maintaining or increasing TRA participation and activity has started to bear fruit in the following ways:
 - Streamlined application process as a result of Tenant Fund applications being provided directly by officers after attendance and verification at the AGM

- Less onerous requirements for TRAs with a reduction in the number of meetings required as contained in the new model constitution
 - A significant number of sheltered housing units forming associations and applying for grants
 - An improved training offer to TRAs with a greater range of courses meeting training needs made available
 - Greater tenant and resident digital inclusion with relevant skills training and resources provided in hubs in addition to the services and facilities provided by officers in the resource centres
15. In the last year projects that have been funded have been shown as part of the annual budget rather than from the carry forward. The approval process for additional expenditure during the course of the year not covered by the budget provisions set out in this report will continue to be through the Cabinet member for housing following consultation with TFMC and Tenant Council.
 16. Funding committed for Digital Inclusion hubs for tenants and residents which have been set up in partnership with Thames Reach Academy across the borough. These provide training and access to computers. These are located in TRA halls, sheltered housing units and community organisations.
 17. Supporting volunteer residents to train other residents on digital skills is the most widely used method across the UK to augment more formal classroom learning opportunities; which in Southwark are freely available at most libraries. Many people without digital skills lack the confidence to join a class, perhaps because they fear being left behind the rest of the class. Digital skills feel like they are something most people in the UK gain without really trying too hard, whilst in fact it takes years of computer use to be fully able to manage digital skills. The problem being that this “learning” is done at work or at home without any fuss or even much awareness that “learning” is taking place.
 18. The TFMC fully appreciate all of this, as they are all involved with the daily life of Southwark communities, and so the TFMC are willing to continue their support for the Go-On Southwark tenants and resident based digital skills project for 2018/19. Officers are recommending that a sum of £42k is allocated to Thames Reach for continuation of Digital Inclusion services with an additional maximum amount of £5k available for officers to meet other digital inclusion costs.
 19. The proposed maximum budget for project based elements of the Tenant Fund for 2018/19 is set out below:
 - Digital Inclusion services to include training, provision and access to equipment
 - £42k Thames Reach (project continuation, year 3)
 - £5k for Communities Division
 - Commissioned training additional to the in-house accredited training programme - maximum £30k *this figure is not included in the projects listed under L in the budget items* (expenditure of £15k in year to date)
 - Small grants scheme for community events £30k with the option for this to be increased up to £50k during the course of the year if the £30k threshold is reached without the need for further approval (expenditure of £27k in year to date)
 - Other engagement maximum total of £15k consisting of:
 - Youth Council activity covering knife crime, bullying and employment identified by young people as three priority issues in Southwark £10k
 - Independent advice and support for TRAs £5k (no expenditure in year to date)
 20. Expenditure for each of the projects listed above is monitored by officers with regular reporting to TFMC for each of the projects to ensure that delivery is on track for agreed

expenditure. In the case of the Digital Inclusion project, authorisation for additional expenditure was sought and approved by TFMC.

21. The Tenant Fund small grants scheme is for estate based community events with a maximum grant of £1k available and with 29 payments being made in the current year.
22. An increasing number of grants to Sheltered Housing Units have been made in recent years as officers have worked to support the setting up associations so that they can claim grants and bring people together for events and to reduce isolation.
23. The SGTO funding application for 2018/19 was considered by TFMC on 6 February. The budget of £232k compares with a grant award of £239k for 2017/18 and represents a 2.5% decrease on that year. The budget proposed contains a detailed breakdown of budget elements with a rationale for each change to the budget item, whether it is an increase or a decrease. It is attached as appendix 1.
24. During 2017/18 additional funding to SGTO was awarded. £5k to meet costs relating to engagement on the fire safety issues on the Ledbury Estate and £1k for LIFE.
25. The budget for SGTO is for 5 full time staff consisting of a manager, office administrator, 2 outreach workers - one who carries out TRA account verification - and campaign and policy officer. This year's budget also contains a budget request for increased staff funding of £6,500 to change a part time outreach post to a full time post. This is for this outreach worker to work with more TRAs in the north of the borough. In the current year the budget costs for the part time post were met from within SGTO's reserves. For 2018/19 the total cost is £26k with £19,500 being met from current reserves. SGTO propose to employ the full time outreach worker on a one year contract. This will enable evaluation of the need for a full time outreach worker for the north of the borough.
26. The increased staff funding for 2018/19 can be met without any increase in the funding to SGTO because other expenditure items have been reduced and by making use of the reserves. However, officers have raised with SGTO the implications of additional staff funding if future reserves are not able to meet these costs and with the continuing reduction in the Tenant Fund budget linked to the rent reduction.
27. As part of the process for agreeing the SGTO grant, revised draft Key Performance Indicators (KPIs) have been developed and are attached as Appendix 3. These make use of the Southwark Common Outcomes Framework. The indicators included within this will strengthen the focus on identifying which key outcomes are being delivered and will provide evidence of how this is being done with targets in place where appropriate. Further work is needed to finalise these.
28. SGTO's Monitoring Reports for 2017/18 have evidenced service delivery in the following areas:
 - Support and advice to 65 TRAs
 - Account verification service to 45 TRAs
 - Building engagement with young people
 - Computer courses for 147 people
 - Job search for 539 people
 - Home search for 601 people
29. SGTO have taken an active role in disseminating information to TRAs about changes to housing, planning and welfare benefits. Regular group meetings held by SGTO are well attended by TRAs from across the borough and provide a forum for representation and voice as well as networking and support on housing related issues.

30. Following consultation with TC and TFMC officers are further clarifying the grant of £232k with SGTO again subject to the normal conditions of grant funding that apply to all voluntary and community sector organisations.
31. Use of the resource centres at Taplow and Albrighton has been decreasing with reducing footfall. TFMC and officers will review the current provision with a view to striking a balance between the current needs of TRA members for access to support and printing and value for money considerations including the time commitment of officers.
32. The take up of the training offer has also been reducing. Officers are working with TFMC to ensure that appropriate training is available online and face to face that provides the skills to enable TRAs to thrive and make safe and effective use of halls.

Policy Implications

33. There are no specific policy implications relevant to the Tenant Fund budget for 2018/19 specifically as it is yearly budget for the purposes described.
34. TRAs are an important part of the fabric of the borough. The Tenant Fund provides resources to enable TRAs to operate and to manage themselves.
35. TRA grants ensure that associations are able to hold and service meetings and meet the basic costs of doing so. In addition they enable TRAs to organize activities and social events that are open to all tenants and residents on an estate. Recognised TRAs are entitled to be consulted on matters affecting their community and are also a part of the council's engagement structure with residents. Getting involved in a TRA is a good way for residents to meet their neighbours and to take an active part in the life of the estate.
36. Tenant Fund activity and projects is supporting digital inclusion in by providing access to computers and training for residents across the borough through the hubs and resource centres and supporting residents to sign up for My Southwark.

Budget elements

37. The reference letters **A-K** used in this part of the report relate to the relevant lines of the budget in Table 1.

Expenditure

A. Salaries and staffing

The staff funded is within the council's Communities Division: two Community Training Officers and one Tenant Grants Officer. An uplift of 2% is to be applied in line with Southwark Council's uplift.

B. Training

With the additional maximum amount of commissioned training of £30k this is to support TRAs with the management of halls to cover health & safety risk assessments, employment procedures, fire risk, and food hygiene. The reduction compared to the 2017/18 maximum allocated budget of £60k has been made as the actual spend is significantly lower at £15k.

C. Cab fares

Expenditure is limited to use of cabs in line with the policy with further information relevant to this budget element contained in G. Cab expenditure is for attendance by residents with disabilities at TC, TFMC and attendance at working parties.

D. Equipment lease/repair

The budget covers the hire of photocopiers as well as quarterly costs for the number of copies. The base budget has been set at £7k.

E. Refreshments / Meetings

Food is no longer being provided for TC so the budget will cover drinks.

F. Tenants Conference

This remains at the 2017/18 level of £8k to reflect expenditure and the good value provided by the William Booth College (Salvation Army) as a venue.

G. Telephones

This is maintained at the 2017/18 level and includes mobile phones.

H. Printing & Stationery

This is contained under *D Equipment, leasing and printing* with SGTO printing in the SGTO budget.

I. Grants to T&RAs

The budget for grants to T&RAs is the balancing figure for the Tenant Fund and is set after the other budget elements have been determined. The budget makes provision for expenditure on TRA grants of £201k. Based on expenditure in the current year there is adequate provision as current expenditure on grants is just over £143k to date with 81 applications processed. Based on previous patterns of expenditure it is unlikely that the full allocation will be used even taking into account further applications to be made.

J. Grant to SGTO

The details of this are contained in paragraphs 23-25 and in appendix 1.

K. Home Owners Contribution

This figure is based on the agreement with the Home Owners' Fund to contribute 27% of a particular year's actual grant payments by the Tenants fund to T&RAs. It simply represents 27% of the budgeted amount for Grants to T&RAs. The calculation does not include small grants or any of the project funding. It is paid quarterly based on the actual TRA spend figure for the quarter.

L. Tenant Fund Projects

These total £92k and include Digital Inclusion, the Small Grants scheme and engagement projects. The projects are listed as part of the overall budget.

Tenant Fund management committee

38. TFMC is a sub-committee of TC. The Tenant Fund budget is presented to TC after TFMC has finalised its recommendations.
39. This report in draft form was presented to TFMC on the 20 March and to Tenant Council on 19 February for discussion and comment.

Funding of the Southwark Group of Tenant Organisations (SGTO)

40. SGTO in line with the funding requirements for 2017/18 has been a signatory to the council's standard conditions of grant funding. Performance monitoring has been carried

out jointly by TFMC and council officers. In addition the council's standard assessment on the adequacy of internal controls and financial management for voluntary and community sector organisations has been carried out by council officers after completion of the monitoring self-assessment by SGTO.

41. SGTO have signed up to the Council's Diversity Standard.
42. SGTO have reviewed their KPIs and linked these to the Southwark Common Outcomes Framework. The updated KPIs contain a number of measures. These include addressing engagement with tenants and residents who do not attend meetings; supporting the needs of TRAs without halls as well as enabling TRAs with halls to improve the quality of information about available spaces. This document is attached as Appendix 2.

Community impact statement

43. The Tenant Fund supports tenant and resident associations and related support services including training, two resource centres, and SGTO.
44. SGTO convenes regular group meetings for TRAs across the borough. These are well attended and provide a participatory forum for involvement and community activity.
45. Services provided through the resource centres in the form of access to IT and printing facilities as well as the training offer, have the objective of promoting TRA member involvement. This is to support the development of engaged and inclusive tenant and resident communities across the borough by providing opportunities for participation that reduces exclusion and inactivity.
46. The activities to be funded through the Tenant Fund will build strong, inclusive and connected communities where people feel they belong and have a strong sense of pride and place. TFMC is mindful that loneliness and isolation amongst older people is a potential risk to health and well being. Officers have been working to support the setting up of associations in sheltered housing units. A number of sheltered housing units have been awarded Tenant Fund grants in the past year and one has also been supported as a digital inclusion hub.
47. A known gap is that of young people, who are under-represented within TRAs. In the last year new initiatives led by SGTO and officers have reached out to young people and will serve as a launch pad for further engagement work that will be led by the ideas and involvement of those taking part. Officers working with TFMC and other partners will scope setting up an apprenticeship scheme with the support of the Tenant Fund.

Consultation

48. Consultation has been carried out in the usual way as in previous years with TFMC and TC. TFMC and TC have scrutinised the budget proposals, including the SGTO budget. Proposals have been made by both bodies relating to the proposed budget expenditure and what resources should be allocated to which priorities. Officers have taken these into account and changes have been made to a number of the budget allocations.
49. The budget was prepared by officers based on the previous year and accounting for any known changes. This was presented to TFMC on 20 March 2018 and to TC on 19 March 2018.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

50. The approval of grants over £2,500 to voluntary organisations is reserved to individual cabinet members under Part 3D of the council's constitution.

51. The cabinet member, when making a decision on the recommendations in this report is required to have due regard to the public sector equality duty (PSED) in section 149 of the Equality Act 2010. The duty requires the council to consider all individuals when carrying out its functions. Specifically, to have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity and foster good relations between people with protected characteristics and those who do not. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The PSED also applies to marriage and civil partnership, but only in relation to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct.
52. The cabinet member should carefully consider the community impact statement at paragraphs 43 to 47 of this report.

Strategic Director of Finance and Governance (FIN1039)

53. The 2018/19 Tenant fund budget is sufficient to fund the proposals outlined in this report.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

Appendices	
Appendix 1 - SGTO Budget 2018/19	Andrew Matheson, Communities Division, 160 Tooley St, London SE1 2QH
Appendix 2 - SGTO KPIs and Outcomes 2018/19	As above

Lead Officer	Stephen Douglass, Director of Communities		
Report Author	Andrew Matheson, Senior Commissioning Officer		
Version	Final		
Dated	12 March 2018		
Key Decision	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments included	
Director of Law and Democracy	Yes	Yes	
Strategic Director of Finance and Corporate Services	Yes	Yes	
Head of Procurement	No	No	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Support Services		15 March 2018	

Table 1 - Tenant Fund 2018/19 and 2017/18 budget comparison

Budget element s	Cost elements	2018/19 Budget	2017/18 Budget	% Budget Change
A	Salaries	120,858	116,338	2%
B	Training	30,000	60,000	-50%
C	Cab fares	500	500	0%
D	Equipment leasing & Printing	7,000	7,000	0%
E	Refreshments for meetings	0	500	-100%
F	Marketing & publicity (Tenants conference)	8,000	8,000	0%
G	Telephones	500	500	0%
H	Printing & Stationery	0	5,000	-100%
I	Grants	200,750	238,248	-16%
K	General recharges (Home Owners' Levy)	-54,203	-64,327	-16%
L	Projects	92,000	107,500	-14%
J	External agencies and bodies (S.G.T.O)	232,000	238,650	-3%
	Tenant Fund reserve	0	50,000	-100%
	Funds Available	637,406	767,909	-17%
	Budget	517,406	518,299	
	Carry Forward	120,000	249,610	
	Total	637,406	767,909	