

Item No: 4.	Classification: OPEN	Date: 8 September 2010	Meeting Name: Overview & Scrutiny Committee
Report Title:		Call-in: Working Neighbourhoods Fund (WNF) - Rationale and Methodology for Achieving Required In-Year Savings (2010-2011) from the Employment & Enterprise Allocation (Cabinet Member for Regeneration & Corporate Strategy 18 August 2010)	
Ward(s) or Group affected:		All	
From:		Head of Overview & Scrutiny	

BACKGROUND INFORMATION

1. On 18 August 2010 the cabinet member for regeneration & corporate strategy considered a report on the Working Neighbourhoods Fund (WNF) - rationale and methodology for achieving required in-year savings (2010-2011) from the employment & enterprise allocation (record of decision and open report included as appendices, closed report circulated separately).
2. The cabinet member agreed:
 1. That the proposed £632,000 (WNF) in-year 2010-2011 savings required from the employment & enterprise allocation for the reasons set out in paragraphs 3-5 of the report be achieved by way of the following decisions:
 - i) That the following contracts (detailed in appendix 1 of the closed report) be terminated with effect from 30 September 2010:
 - Preparing for the Workplace (Blackfriars Settlement)
 - Creative Development (Robust Training & Ruskin Hire)
 - Aylesbury Learning Centre (Elephant Jobs)
 - School Gate to Salaries (Women Like Us)
 - Pathways Employability Project (Organisation for Blind African Caribbeans)
 - Moving On (Dhamilie Community Services)
 - ii) That the unsigned contract for Getting Southwark Working (Princes Trust) be not completed.
 - iii) That the budget originally identified for Southwark Enterprise Forum (Black Business Initiative) be reduced by 50%.
 2. That in response to the representations received, both written and at the formal representations hearing held on 12 August 2010:
 - i) The specific additional cost (£2K) requested by Blackfriars Settlement to enable them to complete their quarter 1 & 2 delivery be included in the final payment.

- ii) valuable local resource for organisations delivering employment and training, and it be agreed that the council identify alternative funding to cover the rent for 2010-2011 so that ALC can have time to develop alternative funding models to cover its accommodation costs.
- iii) Women Like Us and Organisation for Blind African Caribbeans (OBAC) be prioritised for output related pilot funding via the LDA employability project. Dhamilie to be considered as a second priority.
- iv) It be noted that the disputes relating to the three contracts (Black Business Initiative and Princes Trust) identified as being unsigned, and therefore not concluded, are being followed up through the appropriate council resolution process.
- v) It be noted that the impact upon Black Business Initiative and the community they serve is significant and officers be instructed to review any further proposals from this organisation and work with them to seek to continue services to the BME enterprise community in quarters 3 and 4.

REASONS FOR CALL-IN

3. On 15 July 2010 the Chair of Overview & Scrutiny Committee - Councillor Lisa Rajan - and three members of the committee (Councillors David Hubber, Tim McNally and Paul Noblet) requested a call-in of the decision on the following grounds:

“Concern about the impact of the withdrawal of funding on the organisations making representations to the cabinet member. The decision is likely to have a significant adverse effect on the viability of the organisation with two unsigned contracts listed in the closed report. The proposed renegotiation of a reduced contract for this organisation is as likely to render it as unviable as removing funding altogether. The report gives insufficient information about alternative sources of funding for this organisation and options for funding any transitional arrangements. In addition, concern that no details are given of the appropriate council resolution process referred to in paragraph 2 (iv) of the cabinet member's recommendations, as given in the record of decision.”

CALL-IN MEETING

4. The committee will consider the call-in request and in particular whether or not the decision might be contrary to the policy framework or not wholly in accordance with the budget.
5. If, having considered the decision and all relevant advice, the committee is still concerned about it then it may either:
 - a) refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns, or
 - b) refer the matter to council assembly if the decision is deemed to be outside the policy and budget framework.

6. If the committee does not refer the matter back to the decision making person or body, the decision shall take effect on the date of the scrutiny meeting.

BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Report to Cabinet Member for Regeneration & Corporate Strategy	160 Tooley Street London SE1 2TZ	Bola Roberts Constitutional Team 020 7525 7232

APPENDICES
Record of Decision
Report to Cabinet Member

Audit Trail

Lead Officer	Shelley Burke, Head of Overview & Scrutiny	
Report Author	Peter Roberts, Scrutiny Project Manager	
Version	Final	
Dated	31 August 2010	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Communities, Law & Governance	No	-
Cabinet Member	No	-