

| 1 | Open | 7 th October 2003 | Executive |
|------------------------------------|------|--|-----------|
| Report Title: | | Funding for Southwark Group of Tenants Organisation (SGTO) | |
| Ward(s) or groups affected: | | All | |
| From: | | Strategic Director of Housing | |

RECOMMENDATION

1. That the Executive agree further interim funding up to £6,000, from the Tenant Fund, to SGTO subject to monthly expenditure reports being submitted to the Strategic Director of Housing and a more detailed breakdown of the estimated costs of postage.

BACKGROUND INFORMATION

2. Southwark Group of Tenants Organisations is the federation of Tenants and Residents Associations in Southwark.
3. The Tenant Fund is an element of the Housing Revenue Account that is set aside to support tenant participation in the borough. It is managed through the Tenant Fund Management Committee, which is in effect a sub-committee of Tenant Council.
4. On 8th April 2003, the Executive approved interim funding to Southwark Group of Tenant Organisations of up to £25,000 from the Tenant Fund. This was on the basis that no long term decision on the funding of SGTO could be made until the completion of the Best Value Reviews on tenant participation and funding had been completed. At the time, it was anticipated that the findings of the two reviews would be reported to the Executive in July 2003 – this has now been put back to January 2004 to allow for further consultation.
5. SGTO have to date received interim funding of £16,391 – the balance of £8609 is being held as SGTO have utilised the provision that they were holding in their accounts against a potential liability to Norwich Union.

FACTORS FOR CONSIDERATION

6. Tenant Council on 6th October 2003 considered a report from the Tenant Fund Management Committee and agreed to recommend to the Executive additional funding of £6,000 to SGTO. This would be to meet the day-to-day running expenses of the organisation until December 2003 – during this period SGTO will develop a business plan and submit a full application for funding.
7. A breakdown of the interim bid is given below.

| <u>Expenditure</u> | <u>Monthly</u> | <u>Oct/Nov/Dec</u> |
|---|-----------------------|---------------------------|
| Rent [office] | £700.00 | £2,100.00 |
| (1) Rent [Hall] | £ 45.00 (3+1) | £ 180.00 |
| (2) BT telephone quarterly Rental and VAT | | £ 150.00 |
| Cable & Wireless | £ 65.00 | £ 195.00 |
| Stationary [inc paper, envelopes, Printer inks, toner etc] | £110.00 | £330.00 |
| (3) Postage | | £2,000.00 |
| Water [no drinking water in premises] | £ 20.00 | £ 60.00 |
| | | £5,015.00 |
| (4) Contingency | | £ 985.00 |
| | Total | £6,000.00 |

8. The estimates of essential running costs during October – December appear reasonable with the exception of postage at £2,000. It is recommended that SGTO are asked to provide a more detailed breakdown of this element before the full amount is released.
9. SGTO held their Annual General Meeting on 23rd September 2003 and a predominantly new set of Officers, and Executive Committee were elected.

REASON FOR LATENESS

10. The recommendation was made by Tenant Council on 6th October 2003 – Tenant Council requested that the Executive consider the recommendation at their next meeting.

REASON FOR URGENCY

11. SGTO without additional funding are unable to meet their ongoing running costs and would have to consider closure.

RESOURCE IMPLICATIONS

12. The cost can be met from the Tenant Fund Budget for 2003/2004.

Audit Trail

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|---|------------------------|--------------------------|
| Lead Officer | Keith Broxup | |
| Report Author | David Hancock | |
| Version | Draft 01 | |
| Dated | 7.10.2003 | |
| Key Decision? | No | |
| CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER | | |
| Officer Title | Comments Sought | Comments included |
| Borough Solicitor & Secretary | No | No |
| Chief Finance Officer | No | No |
| List other Officers here | | |
| Executive Member | Yes | No |
| Date final report sent to Constitutional Support Services | 7.10.2003 | |