

**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) havenot 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 supportstenant'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 agreedthis 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.

