

Item No. N/a	Classification: Open	Date: 8 April 2019	Meeting Name: Cabinet Member for Housing Management and Modernisation
Report title:		Tenant Fund Budget 2019/2020	
Wards or groups affected:		All	
From:		Director of Communities	

RECOMMENDATIONS

1. That the Cabinet member for housing management and modernisation approves the proposed 2019/20 Tenant Fund budget of £541K as summarised in Table 1 following consultation with the Tenant Fund Management Committee (TFMC) and Tenant Council (TC) and subject to review in light of decisions adopted by Cabinet arising from the ongoing Resident Involvement Review.
2. That the Cabinet member for housing and modernisation notes and approves the grant budget for Southwark Group of Tenants Organisations (SGTO) of £228k for 2019/20 attached as Appendix 2 and the KPIs attached as Appendix 3.
3. That the Cabinet member for housing and modernisation retrospectively approves £16,875 from 2018/19 budget to fund the Citizens Advice Southwark digital inclusion support project from September 2018 to March 2019.

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 £0.2675 per week per property for 2019/20. 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 income budget in 2018/19 was £515,776 based on 37,424 properties. In 2019/20 the estimated number of properties is 37,334 which shows a slight decrease, however the accounting year has 53 weeks instead of the usual 52 which has resulted in a slightly increased budget income of £521,303.
6. It is anticipated that the carry forward at the start of 2019/20 will be around £20k. The reduction in the carry forward budget compared to 2018/19 reflects the additional agreed expenditure projects during previous years.
7. The 2019/20 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.
8. In previous years the annual budget had also included a contribution from existing fund reserves, however said reserves have now been fully spent and the amount of overall funding available has decreased from £621k in 2018/19 to the proposed £541k budget for 2019/20. This means that in 2019/20 there won't be available funding for a number of projects which received funding in 2018/19 such as the small TRA grants programme, digital inclusion hubs for tenants and residents by Thames Reach Academy and the Citizens Advice Southwark digital inclusion support project.
9. The number of payments made to TRAs to date (February 2019) in 2018/19 is 63 for a total of £121k.

KEY ISSUES FOR CONSIDERATION

10. The TRA grant payable in 2019/2020 will remain at the level set in 2018/19 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.
11. Although this year there won't be funding available for TRA small grants due to the absence of reserves, they will still be able to access a range of other sources of income including other council funding streams. These include:
- 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
12. In recent 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

13. In the last year projects which 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 an IDM decision taken by the Cabinet member for housing management and modernisation following consultation with TFMC and Tenant Council.
14. In September 2017 a 12 month £45k grant to Citizens Advice Southwark was agreed for digital inclusion support project. The service delivery has continued and will conclude in March 2019, therefore approval for a final payment of £16,875 is sought to cover the period September 2018 to March 2019. This additional payment is within existing 2018/19 budget resources.
15. Although there won't be funding available for the digital inclusion projects delivered by Thames Reach and Citizens Advice Bureau which received one-off project funding in 2018/19, officers and TFMC are liaising with colleagues leading on the digital inclusion corporate programme being delivered by Hyperoptic and Community Fibre which will ensure that there is still provision available to continue developing our resident's digital skills. This programme will see installation of gigabit-speed, full-fibre broadband on all council estates and the provision of a digital inclusion package including accredited training of digital champions, courses and pair up with a local digital champion who will solve their digital problems, computers and other equipment will be available in halls to enable residents and jobs and training opportunities with the ISP companies we are working with through Southwark Works, the council job brokerage.
16. 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.
17. The SGTO funding application for 2019/20 was considered by TFMC on 5 February 2019. The budget of £228k presents a 1.8% decrease compared with £232k for 2018/19. 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 2.
18. The budget for SGTO is for five full time staff consisting of a manager, office administrator, two outreach workers - one who carries out TRA account verification - and campaign and policy officer. There is an increase in salary cost to reflect 2% inflation pay increase as well as a 1% which was not included for 2018/19. This year's budget also contains a budget request for increased staff funding of £6,630 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 2019/20 the total cost is £26,520 with £19,890 being met from current SGTO reserves.
19. The increased staff funding for 2019/20 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.

20. As part of the process for agreeing the SGTO grant, Key Performance Indicators (KPIs) have been developed. 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. Full details of KPIs outcomes and outputs delivered in 2018/19 can be found in appendix 3.
21. SGTO's Monitoring Reports for 2018/19 have evidenced service delivery in the following areas:
 - Support and advice to 124 TRAs
 - Account verification service to 39 TRAs
 - Building engagement with 255 young people
 - Computer courses for 204 people
 - Job search for 428 people
 - Home search for 720 people
22. 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.
23. Following consultation with TC and TFMC officers are further clarifying the grant of £228k with SGTO again subject to the normal conditions of grant funding that apply to all voluntary and community sector organisations.
24. Use of the resource centres has been decreasing with reducing footfall. TFMC and officers agreed to close down the Albrighton centre which should lead to reductions on equipment leasing costs in 2019/20. Officers will also be exploring the possibility of TRA members being able to use libraries facilities.
25. 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

26. There are no specific policy implications relevant to the Tenant Fund budget for 2019/20 specifically as it is yearly budget for the purposes described.
27. 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.
28. 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.

29. 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

30. 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. One of the training officers has reduced their number of contractual hours which means that although a 2% increase has been applied to reflect inflation, there is an overall reduction in the final cost which total £111K (down from 120k the previous year).

B. Training

The training allocation is £30k, the same as the previous year.

C. Cab fares

Expenditure is limited to use of cabs in line with the policy. Cab expenditure is for attendance by residents with disabilities at TC, TFMC and attendance at working parties. There is an increase in this budget line compared to last year to bring in in line with the actual spend over most recent years which has been in the region of £1,400.

D. Equipment lease/printing

The budget covers the hire of photocopiers as well as quarterly costs for the number of copies. The base budget has been set at £8k.

E. Marketing and Publicity (Tenants Conference)

This remains at the 2018/19 level of £8k to reflect expenditure and the good value provided by the William Booth College (Salvation Army) as a venue although last year this venue almost tripled their hire fees and TMFC will be liaising with officers and the Tenants Conference working Party to explore a renegotiation of fees or alternative venues.

F. Telephones

This is maintained at the 2018/19 level and includes mobile phones.

G. Grants

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 £178k. Based on expenditure in the current year there is adequate provision as current expenditure on grants

is just over £121k to date with 63 applications processed to date (February 2019). 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.

H. General recharges 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.

I. Projects

TFMC approved £50k additional expenditure in 2016/17 to support a partnership project which the council led on developing. This commitment was for capital investment for a new community resource on the Old Kent Road known as the Livesey Exchange. Due to unforeseen delays in delivery of this project only £6,700 of this allocation has been spent to date. A further £22,954 will be spent in 2019/20 with the remaining £23,300 being budgeted for and spent in 2020/21.

J. External Agencies and Bodies (Grant to SGTO)

The details of this are contained in paragraphs 15-21 and in appendix 2.

K. Small Grants

There is no allocation for additional projects in 2019/20.

L. Miscellaneous including catering

Food is no longer being provided for TC so the budget will cover drinks, the increase is to reflect actual spend in 2018/19.

Tenant Fund management committee

31. TFMC is a sub-committee of TC. The Tenant Fund budget is presented to TC after TFMC has finalised its recommendations.
32. This report in draft form was circulated to TFMC on the 07 February via e-mail, a further meeting took place on the 5 March 2019 and the final draft budget and report was circulated to all TFMC members on the 7 March 2019. This report was tabled at Tenant Council on 18 March 2019 for discussion and comment.

Funding of the Southwark Group of Tenant Organisations (SGTO)

33. SGTO in line with the funding requirements for 2018/19 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.
34. SGTO have signed up to the Council's Diversity Standard.

35. SGTO have reviewed their KPIs and linked these to the Southwark Common Outcomes Framework. This document is attached as Appendix 2.

Community impact statement

36. The Tenant Fund supports tenant and resident associations and related support services including training, two resource centres, and SGTO.
37. SGTO convenes regular group meetings for TRAs across the borough. These are well attended and provide a participatory forum for involvement and community activity.
38. 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.
39. 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.
40. 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

41. 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.
42. The budget was prepared by officers based on the previous year and accounting for any known changes. This was presented to TFMC on 05 March 2019 and to Tenant Council on 18 March 2019.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

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

Strategic Director of Finance and Governance

44. The report sets out the proposed Tenant Fund budget allocation for 2019-20 report and notes the reduced availability of reserves to fund one-off projects next year. The methodology for calculating the budget for 2019-20 is consistent with previous years.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Tenant fund IDM report 2017/18	Communities Division, 160 Tooley Street, SE1P 5LQ 020 7525 7648	
Variation to Tenant Fund Budget 2017/2018 for Tenant Fund projects		

APPENDICES

No.	Title
Appendix 1	Tenant Fund Proposed Budget 2019/20
Appendix 2	SGTO Proposed Budget 2019/20
Appendix 3	SGTO KPIs and Outcomes 2018/19

AUDIT TRAIL

Lead Officer	Stephen Douglass, Director of Communities		
Report Author	Eva Gomez, Resident Involvement Manager		
Version	Final		
Dated	04 April 2019		
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 Governance	Yes	Yes	
Head of Procurement	No	No	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team			5 April 2019