

Committee: OVERVIEW AND SCRUTINY	Date: 6 November 2012	Classification: Unrestricted	Report No.	Agenda Item No.
Report of: Service Head, Democratic Services Originating Officer(s): Antonella Burgio, Democratic Services		Title: Cabinet Decision Called-in: Main Stream Grants Programme 2012-15 Wards: All		

1. SUMMARY

- 1.1 The attached report of the Corporate Director, Development and Renewal was considered by the Cabinet on 3 October 2012 and has been "Called-In" by Councillors: Carlo Gibbs, Bill Turner, John Pierce, Joshua Peck and Kosru Uddin. This is in accordance with the provisions of Part Four Sections 16 and 17 of the Council's Constitution.

2. RECOMMENDATION

- 2.1 That the Committee consider the contents of the attached report, review the Cabinet's provisional decisions arising and
- 2.2 decide whether to accept them or refer the matter back to Cabinet with proposals, together with reasons.

Local Government Act, 1972 Section 100D (As amended)

List of "Background Papers" used in the preparation of this report

Brief description of "background paper"

Cabinet report (CAB 040/123) - 3 October 2012

Name and telephone number of holder
and address where open to inspection

Angus Taylor
0207 3644333

3. BACKGROUND

- 3.1** The request to call-in the Cabinet's decision dated 3rd October 2012 was submitted under Overview and Scrutiny (O and S) Procedure Rules Sections 16 and 17. It was considered by the Assistant Chief Executive, Legal Services who has responsibility under the constitution for calling in Cabinet decisions in accordance with agreed criteria. The call-in request fulfilled the required criteria and the matter is referred to Overview and Scrutiny Committee in order to consider whether or not to refer the item back to the Cabinet at its meeting on 7th November 2012 for further consideration. Implementation of the Cabinet decision is suspended whilst the call-in is considered.

4. THE CABINET'S PROVISIONAL DECISION

- 4.1** The Mayor in Cabinet after considering the report attached, at Appendix 1, provisionally decided:-

- 1. To notify all groups who have applied for Mainstream Grants that the Mayor is minded to accept the recommendations of the Board as detailed in the report and to invite them, if they are dissatisfied by the recommendation to request a review within 7 days of being notified so a decision on the actual awards can be made as soon as possible.*

4.2 Reasons for Decisions

These were detailed in section 3 of the report (CAB 040/123) and state that:

The decisions are required in order that the Council is able to meet its commitment for the 2012/15 programme of commissioning services through voluntary and community sector providers; properly conclude its current agreements with existing service providers; contract with new providers; and, advise all projects/organisations of the outcome of their application to comply with both the Tower Hamlets Compact and our Public Sector Equalities Duties.

4.3 Alternative Options Considered

These are given in paragraph 4.1 of the report (CAB 040/123) and state:

“Alternative options comprise extending further the commissioning contracts across all commissioning themes for a further period, or allowing current grant arrangements to end with a view to establishing further agreements at a future date. However this could have a serious detrimental impact on many vulnerable residents accessing important support services delivered through the voluntary and community sector.”

5. REASONS / ALTERNATIVE COURSE OF ACTION PROPOSED FOR THE 'CALL IN'

5.1 The Call-in requisition signed by the five Councillors listed gives the following reason for the Call-in:

“1. The process was flawed and non-transparent with new criteria that significantly changed the way these grants were applied for. The voluntary sector engaged with the new process in good faith, only to face further uncertainty as the final allocation of funding was repeatedly delayed since September 2011. Having waited over a year for the final allocations, these criteria were seemingly overridden at the end of the process.

2. The proposals were presented and agreed at Cabinet without any Equalities Impact Assessment. This meant that cabinet members may have made their decision without any understanding of the impact of these changes would have on different groups. This is incredibly negligent given the funding is for services that focus on the most vulnerable and isolated groups.

3. The decision to hold off on allocating £954,000 until a later date is severely detrimental to those that have lost significant amounts of funding. Their ability to bid for this funding is also impeded and there have been no proposals set out as to how this fund will be used.

4. The decision to significantly reduce funding to a number of organisation, but still demand that they deliver the same service is both unfair and unattainable. Organisations that face cuts to funding will now face difficulties in operating and even surviving in some cases. The council's demands on them are unrealistic and could prevent them from reaching performance targets and attaining funding in the future.

5. The Mayor has gone back on his pledge to protect the most vulnerable in society by allowing significant cuts to the social welfare advice services. This comes at a time when his Director of Finance has warned that the impact of the Governments welfare reforms is the greatest financial risk faced by the council. The detrimental impact these changes will be felt most acutely by the residents using these service. As total funding is remaining broadly the same, it is clear that he has chosen to politically target this group - cutting their contribution from around 26% of total funding to just 16%.

6. There is no analysis provided to show that the provisions funded are evenly spread and appropriately apportioned across the borough.

Given the important and complex nature of this decision, and the short timescales available, we demand that an emergency Overview and Scrutiny meeting is called to review this decision.”

5.2 The requisition also proposed the following alternative course of action:

“As an alternate course of action we demand the £954k of unallocated funds highlighted in the report be released to support agencies facing these significant cuts.

We also call on the mayor to publish a full Equalities Impact Assessment.”

6. CONSIDERATION OF THE “CALL IN”

6.1 Having met the call-in request criteria, the matter is referred to the Overview and Scrutiny Committee in order to determine the call-in and decide whether or not to refer the item back to the Cabinet at its next meeting. The implementation of the Cabinet decision regarding “Review of Tower Hamlets Artwork” is suspended pending the Committee’s decision in accordance with call-in procedures.

6.2 The following procedure is to be followed for consideration of the “Call In”:

- (a) Presentation of the “Call In” by one of the “Call In” Members followed by questions.
- (b) Response from the Lead Member/officers followed by questions.
- (c) General debate followed by decision.

N.B. – In accordance with the Overview and Scrutiny Committee Protocols and Guidance adopted by the Committee at its meeting on 5 June, 2007, any Member(s) who presents the “Call In” is not eligible to participate in the general debate.

6.3 It is open to the Committee to either resolve to take no action which would have the effect of endorsing the original Cabinet decision(s), or the Committee could refer the matter back to the Cabinet for further consideration setting out the nature of its concerns and possibly recommending an alternative course of action.