

<b>Committee:</b> Overview & Scrutiny	<b>Date:</b> 23 <sup>rd</sup> July 2013	<b>Classification:</b> Unrestricted	<b>Report No.</b>	<b>Agenda Item No.</b>
<b>Report of:</b> Service Head, Democratic Services  <b>Originating Officer(s):</b> Angus Taylor, Principal Committee Officer, Democratic Services		<b>Title:</b> Mayoral Executive Decision Call In: Decision Log No: 034 Community Chest And Community Events Fund 2012-14  <b>Wards:</b> All		

## 1. SUMMARY

- 1.1 The attached report entitled "Community Chest and Community Events Fund 2012-14" was considered by the Mayor on Wednesday 19 June 2013 (Mayoral Executive Decision published on Thursday 20 June 2013) and has been "Called In" by Councillors Peter Golds, Gloria Thienel, Dr Emma Jones, Tim Archer and Craig Aston. 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 OSC consider the contents of the attached report, review the Mayor's decisions (provisional, subject to Call In) arising; and
- 2.2 Decide whether to accept them or refer the matter back to the Mayor with proposals, together with reasons.

### **3. BACKGROUND**

- 3.1 The request (dated Thursday 27<sup>th</sup> June 2013) to “call-in” the Mayor’s decision published on Thursday 20<sup>th</sup> June 2013 was submitted under Overview and Scrutiny (OSC) Procedure Rules Sections 16 and 17. It was considered by the nominee of the Assistant Chief Executive, Legal Services who has responsibility, under the constitution, for calling in Mayoral decisions in accordance with agreed criteria.
- 3.2 The “Call In” request fulfilled the required criteria and the Mayor’s decision (provisional, subject to Call In) is referred to OSC in order to consider whether or not to refer the matter back to the Mayor for further consideration.
- 3.3 Implementation of the Mayoral decision is suspended whilst the “Call In” is considered.

### **4. THE MAYOR’S PROVISIONAL DECISION**

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

#### **DECISION**

I have considered the above information and advice on the award of the Community Chest and Community Events grants as detailed in the report.

I have considered whether or not this is a Key Decision under Article 13 of the Constitution. In making this decision I am of the view that:-

- The applications for the Community Chest are for a maximum award of £10,000 and the Community Events a maximum of £5,000
- The funding decisions are not of such import to result in substantial public interest.
- The total funding of these awards represents less than 2.5% of the grant awards in the current year.

In light of the above and taking all other considerations into account, I am content that the decision to make the awards as recommended by the Corporate Grants Board is a non key decision.

I have decided to accept the recommendation of the Corporate Grants Board and I agree that the awards as detailed in the appendices to the report are made to the stated groups.

In considering those recommendations I have questioned four Community Chest funding applications where the proposed funding awards, as listed in Appendix 1, had negative comments originating from programme officers against them.

Although officers may come to the view that an application is poor and/or that it should not receive funding, there are from time to time cases where, when taking account of wider circumstances, projects are worth supporting in view of the perceived potential community benefits.

I have therefore asked officers to ensure arrangements are in place to put processes in place to support those organisations through increased due diligence, requests for

clarification or additional information. Alternatively issues may be dealt with through the grant negotiation process, whereby conditions are placed on funding.

## **4.2 Reasons for Decisions**

4.2.1 The Mayor stated that his decision was based on the following reasons:-

- The applications have been assessed in accordance with the processes for Corporate Grants and is recommended by the Corporate Grants Board
- The projects represent benefits to a good cross section of the Tower Hamlets Community

4.2.2 The Corporate Grants Board had considered a report entitled “Community Chest Fund and Community Events Fund 2012-14” which also set out Reasons for Decision at paragraph 3.1 and 3.2.

## **4.3 Alternative Options Considered**

4.3.1 The report entitled “Community Chest Fund and Community Events Fund 2012-14” sets out Alternative Options at paragraphs 4.1 and 4.2.

- An alternative option would be to decide not to fund any of the organisations which have applied for grants and to use the funds for other purposes for example, the larger types of project typically associated with Mainstream Grants.
- However, because opportunities to bid into the Community Chest Fund and Community Events Fund have been widely advertised, expectations have been raised and to cancel these programmes after a large number of organisations have submitted applications in good faith would lead to wide disappointment.

## **5. REASONS AND 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:

- Inadequate level of consultation and assessment with regard to certain applications.
- The decision states that the projects “represents benefits to a good cross section of the Tower Hamlets Community”.
- There is a focus on providing money to media groups and organisations which should be independent and self sufficient.
- In view of the Ofcom judgement of January 21<sup>st</sup> regarding Channel S and Tower Hamlets, the awarding of a grant to Channel S for an awards ceremony is hardly of benefit to the wider Tower Hamlets Community.

## **5.2 Alternative action proposed:**

Overview and Scrutiny is asked to refer this back to the Mayor for further consideration..

## **6. CONSIDERATION OF THE “CALL IN”**

- 6.1 Having met the “Call In” request criteria, the matter is referred to the OSC in order to determine the “Call In” and decide whether or not to refer the matter back to the Mayor for further consideration.
- 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 from members of OSC.
  - (b) Response from the Lead Member/officers followed by questions from members of OSC.
  - (c) General debate followed by OSC decision.

**N.B. In accordance with the OSC Protocols and Guidance adopted by the Committee at its meeting on 4<sup>th</sup> June, 2013, any Member(s) who presents the “Call In” is not eligible to participate in the general debate.**

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

## **7. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 7.1 Funding was set aside as part of the budget process to establish a Community Chest fund of £250,000 in 2012-13 and £338,000 in 2013-14. In addition, a Community Events Fund was also set up, with total “one off” funding of £100,000. In the case of both funds, resources were carried forward between 2012-13 and 2013-14 to meet outstanding commitments relating to the grants awarded.
- 7.2 The report on which the decision was based, was the second to be considered by the Corporate Grants Programme Board to allocate funding from the Community Chest and Community Events resources. On 11<sup>th</sup> April 2013 the board approved a total of £301,212 for the Community Chest and £68,150 for Community Events, leaving unallocated balances of £286,788 and £31,850 respectively.
- 7.3 The various bids received subsequently have been independently assessed by the Council’s Third Sector team, and the recommended rewards, based on officer assessment, were outlined in Appendices 1 & 2 to the report on which the decision was based. The recommended bids totalled £93,000 for the Community Chest and £66,410 for Community Events.
- 7.4 The overall financing summary was shown in the table in paragraph 1.4 of the original report. As can be seen, the proposed allocations can be contained within resources, and if all are approved an unallocated balance of £193,788 will remain.

However, the proposed awards for the Community Events element exceed the resources available by £34,560. In order for these schemes to progress, funding to this value must be identified and made available from other sources. One possible option is that the Board agrees to allocate an element of the uncommitted Community Chest funding for this purpose.

- 7.5 Grant payments will be made in stages to the successful organisations. In part these will be dependent on the achievement of various delivery milestones. It is essential that the targets and grant criteria are met to ensure that the Council's resources are protected.
- 7.6 Any change of policy as to awards will have to be contained within the budget set out in paragraph 7.1 above.

## **8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 8.1 The Mayor's decision has been called-in in accordance with the Overview and Scrutiny Procedure Rules set out in the Council's Constitution. The alternatives presented in paragraph 2.2 of the recommendations in this report are options available to the Committee under the Overview and Scrutiny Procedure Rules.
- 8.2 Legal comments relevant to the Mayor's decision are set out in the report on which the decision was based.
- 8.3 In considering what action to take, the Committee must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't.

## **9. APPENDICES**

- Appendix 1 - "Call In" Requisition
- Appendix 2 – Mayoral Decision Log No: 034 "Community Chest And Community Events Fund 2012-14"

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

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

Brief description of "background paper"

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

**Mayoral Decision (No 034) – 20 June 2013**

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