

<b>Committee:</b> Overview & Scrutiny	<b>Date:</b> 7 <sup>th</sup> January 2014	<b>Classification:</b> Unrestricted	<b>Report 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: 046 Community Chest & Community Events Fund – Round 4 <b>Wards:</b> All	

## 1. SUMMARY

- 1.1 The attached report “Community Chest and Community Events – Round 4” was considered by the Mayor on 2<sup>nd</sup> December 2013 (Mayoral Executive Decision published on 3<sup>rd</sup> December 2013) and has been “Called In” by Councillors Carlo Gibbs, Sirajul Islam, Khales U Ahmed, Ann Jackson and Joshua Peck. 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 10<sup>th</sup> December 2013) to “call-in” the Mayor’s decision published on 3<sup>rd</sup> December 2013 was submitted under Overview and Scrutiny (OSC) Procedure Rules Sections 16 and 17. It was considered by the Interim Monitoring Officer who has delegated responsibility 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 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:-

#### **“NON KEY DECISION**

I have considered the 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 these 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 the 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 report entitled “Community Chest Fund and Community Events Fund – Round 4” also sets out Reasons for Decision at paragraph 3.1 and 3.2 of its report to the Mayor. This is appended to the Individual Mayoral Decision Proforma.

## **4.3 Alternative Options Considered**

- 4.3.1 The report entitled “Community Chest Fund and Community Events Fund – Round 4” 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:

There are a number of important questions which are not addressed by the report accompanying the decision which we believe warrant further scrutiny.

One key point of concern is that little if any justification has been given for the decision to move £161,695 from Community Grants fund to the Community Events fund. With such a significant sum being reassigned we think it is only right that O&S is given the opportunity to seek clarity about the reasoning behind this.

We ask the Committee to consider a number of specific issues:

- Following the decision to move £161,695 from Community Grants into the Community Events fund there will no longer be any community grants budget for the remainder of the year. By contrast there is now an unspent events budget of almost £80,000 all to be spent between January and April 2014. It is our opinion that allocating an additional £80,000 budget for events in the months running up to the 2014 election without giving any real justification raises real questions about the politicisation of the Mayor's allocation of tax payer funds.
- The Mayor states in his decision that "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 the view of the perceived potential community benefits."
- The Mayoral Decision does not however state what factors he believed justified his decision was based on nor what differences with officer recommendations he had. It appears highly likely that what instead of actually carefully considering the impact of this grant funding the Mayor has just copied and pasted his previous mayoral decision notice as this decision is virtually identical to that made on the 19th June this year. We would ask that the O&S committee look into this and to ask the Mayor on what he based his decisions and why he has abdicated his responsibility to have informed and clear regard to the allocations of funding.
- To be sure of any discrepancies between the original officer advice and the final decision we would ask that the O&S Committee request all papers and assessments which went to the CGPB as well as the individual funding applications themselves to be sure they meet the relevant criteria for this fund.

- Following previous grant awards it is clear that there are serious concerns about the way in which grants funding is allocated. Round 3, only two months ago, saw the Mayor choose to award £8,500 of funding to commercial media organisations yet he refused to fund the Citizens Advice Bureaux to run welfare reform advice sessions. We would also like to know if, and if not why not, bids from organisations submitted as part of Round 3 were included in consideration for Round 4 of the Community Events fund.

## **5.2 Alternative action proposed:**

- That the Mayor actually considers the decision put in front of him and then issue a relevant decision sheet making clear he has taken into account the impact this funding will have.
- That the Mayor explains his decision to allocate funding from Community Grants to Community Events.
- That the Mayor pledges not to utilise the remaining £79, 895 events grant for events which fall within the 2014 elections purdah period.

## **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 present(s) the “Call In” is(are) 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 The comments of the Chief Financial Officer are incorporated in the attached report

**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 and to the review by the Overview and Scrutiny Committee are set out in the report on which the decision was based.

**9. APPENDICES**

- Appendix 1 - “Call In” Requisition
- Appendix 2 – Mayoral Decision Log No: 046 “Community Chest And Community Events Fund – Round 4”

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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 papers”**

**Name and telephone number of holder**

**and address where open to inspection.**

none