

MAYOR AND CABINET			
Report Title	London Borough Grants Scheme - 2013/2014 Expenditure		
Key Decision	Yes	Item No.	
Ward	All		
Contributors	Executive Director for Community Services/Head of Law, Executive Director for Resources and Regeneration		
Class	Part 1	Date:	16 January 2013

1. Summary

The London Borough Grants Committee (LBGC) was established to provide funding for voluntary organisations offering London-wide services or operating in two or more London Boroughs. This report considers the recommendation of the Grants Committee of the London Councils on the level of expenditure for the London Boroughs Grants Scheme in 2013/14 and the proposed contribution by the London Borough of Lewisham. It also outlines the London Councils Grants process for the 2013/15 funding round.

2. Purpose

To consider the recommendation of the Grants Committee of the London Councils on the level of expenditure for London Borough Grants Scheme in 2013/2014 and the proposed contribution by the London Borough of Lewisham.

3. Policy Context

- 3.1 The LBGC was established in 1985 to provide funding for voluntary organisations offering London-wide services or operating in two or more London Boroughs. The thirty-two London Boroughs and Corporation of London are required by statute to contribute to the funding of London Borough Grants.
- 3.2 Lewisham's contribution to the London Councils Grants Scheme funds voluntary sector activity in Lewisham that contributes towards the vision for Lewisham outlined in the Sustainable Community Strategy. London Councils Grants Scheme also supports infrastructure development of the third sector, which assists the council with delivering local public services.
- 3.3 The Council gives grant aid to a number of organisations in pursuit of the objectives of the Council's Community Strategy, specifically to "work with the voluntary and community sector to build their capacity and to facilitate their involvement in the development and delivery of local outcomes." The grant aid also assists with the objectives set out in the Council's ten corporate priorities, particularly "Community leadership and empowerment: Developing opportunities for the active participation and engagement of people in the life of the community".

4. Recommendations

The Mayor is recommended:

- 4.1 to agree the overall expenditure for the London Councils Grants Scheme in 2013/2014 of £10,000,000 (inclusive of £2million gross ESF programme).
- 4.2 to agree a sum of £303,763 in respect of the London Borough of Lewisham's contribution, and
- 4.3 to note the London Councils grants consultation 2013/15 as set out in paragraph 9.

5. Background

- 5.1 On 17 October 1985 the London Borough Grants Scheme was set up in accordance with the requirements of Section 48 of the Local Government Act 1985. On 1 April 2000 the London Local Authorities established a joint committee under Sections 101 and 102 of the Local Government Act 1972 and resolved to delegate various functions to the Association of London Government Grants joint committee. This was then amended at the end of 2001 to take account of the new political management arrangements. The purpose of the scheme is to provide funding for voluntary organisations offering London-wide services or operating in two or more London Boroughs.
- 5.2 Constituent Councils are required to contribute to the London Councils Grants Scheme under Regulations 6(8) of the Levying Bodies (General) Regulations 1992. Individual council's contributions should be proportionate to their populations. For 2013/14 the apportionment is based on the Office for National Statistics (ONS) June 2011 estimate of population.
- 5.3 In accordance with the Grants to Voluntary Organisations Order 1992 which came into effect on 02 November 1992 and remains in force, two-thirds of constituent Councils must agree the budget before 1 February 2013. If not the overall level of expenditure will be deemed to be the same as that approved for 2012/13 which totalled £12,500,000.

6. London Councils' 2013 - 15 funding round

- 6.1 In September 2012 the London Councils launched the 2013/15 commissioning round based on revised principles and priorities for the scheme.

The principles are:

- Commissioning services that deliver effectively and can meet the outcomes specified by London Councils, rather than funding organisations
Commissioning services where there is clear evidence of need for services that complement borough and other services to support organisations that deliver services
- Commissioning services where it is economical and efficient to deliver services on a London wide basis or where mobility is key to delivery of a service to secure personal safety
- Commissioning services that can not reasonably be delivered locally, at a borough or sub-regional level

- Commissioning services that work with statutory and non-statutory partners and contribute to meeting the objectives of the Equality Act 2010.

6.2 Services which satisfy the principles outlined above are required to meet at least one of the following priority areas in order to be eligible for receipt of funding from the scheme:

- Tackling homelessness amongst individuals and households through direct services and/or developing new ways of working with partners to generate housing and accommodation and access services
- Sexual and domestic violence
- Tackling poverty by promoting access to employment and training drawing on opportunities for match funding provided by boroughs working with London Councils and European Social Fund
- Providing support to London's voluntary and community organisations enabling those organisations gain access to funds, skills and resources to provide effective services to communities.

6.3 The timetable for the programme is as follows:

Launch	September 2012
Deadline for applications	26 October 2012
Assessment of applications	November – December 2012
Applicants informed of recommendations (applications that are not recommended for funding are presented with option to submit a right to reply)	January 2013
Grants Committee meets to agree funding	February 2013

6.4 Officers of the London Councils will assess the applications, and will seek the views of borough officers from 33 London boroughs. Recommendation will be sent to applicants in January 2013 and presented to Grants Committee in February 2013.

7. Expenditure for 2013/2014

7.1 On 13 November 2012 the London Councils Leaders' Committee agreed to recommend to constituent Council's a total expenditure of £10,000,000 for 2013/2014 comprising £7,540,000 for grant aiding, £520,000 for administrative expenditure (inclusive of central recharges), £1,880 ESF Co-financing and £60,000 for London Funders Membership fees. This would be financed by using European Social Fund grant of £1,000,000 and contributions from Boroughs of £9,000,000.

7.2 Borough contributions are in proportion to member council's population and are calculated using the Office for Population and Census Statistics mid 2011 estimates. The Lewisham population has increased by 10,400 since the previous years estimate from the overall population of London has increased from 7,825,300 to 8,204,100. This has led to the apportionment for Lewisham decreasing to 3.38% from 3.41%. Lewisham's contribution in 2012/2013 will decrease by £87,884 from £391,646 to £303,763, which equates to a decrease of 22.44%.

8. Options

- 8.1 Under Section 48 of the Local Government Act 1985 the Council is obliged to participate in the scheme as it is not possible for a single borough to unilaterally decide to pull out of the Scheme. Under statute two-thirds of the constituent boroughs must agree to set up the Scheme, two-thirds of the boroughs to agree the budget (with the Secretary of State's reserve power to set a budget as at current year level if boroughs fail to agree one by 31 January) and two-thirds to decide to end the Scheme.
- 8.2 If the Council no longer wanted to participate in the Scheme then it would also need to decide whether the Scheme should continue at all. If it felt that it should not then it would need to get formal agreement from two-thirds of the membership. If it feels that it does not want to contribute in 2013/2014 then it would need to get agreement from two-thirds of the membership by 31 January 2013.
- 8.3 The Council could decide that the level of the overall budget is not satisfactory. Again two-thirds of the membership is required to set the budget so the Council would need to get agreement from this proportion to set a budget at a level it sees fit. Given the time constraints it is unlikely that this will be done by 31 January 2013 and if no decision is made by this date then the budget level for 2012/2013 will remain the same as 2012/2013. It is recommended to agree the budget at the proposed level.

9. Financial Implications

- 9.1 This report recommends a contribution of £303,763 to the London Boroughs Grant Scheme (LBGS) for 2013/14.
- 9.2 Lewisham's 2012/13 contribution for LBGS is currently £391,650. This will generate a saving of £87,887 in 2013/14.
- 9.3 This saving will be considered as part of the 2013/14 revenue budget process

10. Legal Implications

The legal framework for the London Borough Grants Scheme is set out in the body of the Report at paragraph 7. Given the time constraints and the process which has to be undergone to set the level of Boroughs' budget which requires the agreement of two-thirds of the membership a decision to agree this year's contribution would not be unreasonable.

11. Crime and Disorder Implications

- 11.1 A number of organisations that work within the crime and disorder field providing a service in Lewisham are funded by London Councils.

12. Equality Implications

- 12.1 London Borough Grants funds an extensive number of services targeted at tackling the needs of individuals and groups excluded from mainstream economic, social and cultural opportunities. London Councils were responsible for undertaking equalities impact assessments on the decisions.

- 12.2 For the financial year 2012/2013 the sum of £9,920,000 was awarded to voluntary organisations based throughout London to carry out various services and activities covering legal advice, health & social care, citizenship & human rights, support for women, support for children and young people, arts and culture, sustainable forms of transport, quality childcare provisions, support for the elderly, support for migrant communities, facilities for homeless persons, tackling homelessness, development of social enterprise across London, social cohesion, etc. London Borough of Lewisham influences the pattern of the London Councils support through its representation on both Grants and Leaders Committees as a constituent council.
- 12.3 This funding is based on levels of deprivation and need. Residents in Lewisham benefit from a wider range of services from organisations other than those simply based within the borough. Organisations based in Lewisham also serve the populations of other London boroughs.

13. Environmental Implications

- 13.1 A number of environmental organisations providing a service in Lewisham are funded by London Councils.

14. Conclusion

- 14.1 The report outlines the background to the London Borough Grants Scheme, details the 2013/15 funding programme and proposes that the Council approve the recommended budget as set out in the London Councils' notification to Chief Executives for the reasons outlined in paragraph 8 above.

BACKGROUND PAPERS

None

If you would like more information on this report please contact Sandra Jones of Community Services Directorate's Community Sector Unit on 0208 314 6579.

Borough Contributions 2013/14

Appendix 1

ONS Mid-2010 Estimate of Population ('000)	%	2012/13 Borough Contribution (£)		ONS Mid-2011 Estimate of Population ('000)	%	2013/14 Borough Contribution (£)	Difference from 2012/13 (£)
Inner London							
235.4	3.01%	345,942	Camden	220.1	2.68%	241,452	-104,490
11.7	0.15%	17,194	City of London	7.4	0.09%	8,118	-9,076
228.5	2.92%	335,802	Greenwich	255.5	3.11%	280,287	-55,515
219.2	2.80%	322,135	Hackney	247.2	3.01%	271,181	-50,953
169.7	2.17%	249,390	Hammersmith & Fulham	182.4	2.22%	200,095	-49,295
194.1	2.48%	285,248	Islington	206.3	2.51%	226,314	-58,934
169.5	2.17%	249,096	Kensington & Chelsea	158.3	1.93%	173,657	-75,439
284.5	3.64%	418,099	Lambeth	304.5	3.71%	334,040	-84,059
266.5	3.41%	391,646	Lewisham	276.9	3.38%	303,763	-87,884
287.0	3.67%	421,773	Southwark	288.7	3.52%	316,707	-105,065
237.9	3.04%	349,616	Tower Hamlets	256.0	3.12%	280,835	-68,781
289.6	3.70%	425,594	Wandsworth	307.7	3.75%	337,551	-88,043
253.1	3.23%	371,954	Westminster	219.6	2.68%	240,904	-131,050
2,846.7	36.38%	4,183,488		2,930.6	35.72%	3,214,905	-968,583
Outer London							
179.7	2.30%	264,086	Barking & Dagenham	187.0	2.28%	205,141	-58,944
348.2	4.45%	511,712	Barnet	357.5	4.36%	392,182	-119,530
228.0	2.91%	335,067	Bexley	232.8	2.84%	255,385	-79,683
256.6	3.28%	377,097	Brent	312.2	3.81%	342,487	-34,610
312.4	3.99%	459,101	Bromley	310.6	3.79%	340,732	-118,369
345.6	4.42%	507,891	Croydon	364.8	4.45%	400,190	-107,701
318.5	4.07%	468,065	Ealing	339.3	4.14%	372,216	-95,849
294.9	3.77%	433,383	Enfield	313.9	3.83%	344,352	-89,031
225.0	2.88%	330,658	Haringey	255.5	3.11%	280,287	-50,372
230.1	2.94%	338,153	Harrow	240.5	2.93%	263,831	-74,322
236.1	3.02%	346,971	Havering	237.9	2.90%	260,979	-85,991
266.1	3.40%	391,058	Hillingdon	275.5	3.36%	302,227	-88,832
236.8	3.03%	347,999	Hounslow	254.9	3.11%	279,628	-68,371
169.0	2.16%	248,361	Kingston upon Thames	160.4	1.96%	175,961	-72,400
208.8	2.67%	306,851	Merton	200.5	2.44%	219,951	-86,900
240.1	3.07%	352,849	Newham	310.5	3.78%	340,622	-12,227
270.5	3.46%	397,525	Redbridge	281.4	3.43%	308,699	-88,825
190.9	2.44%	280,545	Richmond upon Thames	187.5	2.29%	205,690	-74,855
194.2	2.48%	285,395	Sutton	191.1	2.33%	209,639	-75,756
227.1	2.90%	333,744	Waltham Forest	259.7	3.17%	284,894	-48,850
4,978.6	63.62%	7,316,512		5,273.5	64.28%	5,785,095	-1,531,417
7,825.3	100.00%	11,500,000	Totals	8,204.1	100.00%	9,000,000	-2,500,000