

<b>Item No.</b> 18.	<b>Classification:</b> Open	<b>Date:</b> 27 January 2015	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		London Councils Grants Scheme 2015-2016	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Communities, Employment and Business	

**FOREWORD – COUNCILLOR IAN WINGFIELD, DEPUTY LEADER AND CABINET MEMBER FOR COMMUNITIES, EMPLOYMENT AND BUSINESS**

The London Councils' Grants Scheme plays a valuable role in enabling voluntary organisations to provide services to people in need across London as a whole. This pan-London approach to grant making adds value to the outcomes that each borough's commissioning programme achieves. In addition, it improves access to services and the personal safety of clients e.g. for victims of sexual and domestic violence where mobility is critically important.

The four defined priority areas of Homelessness, Sexual and Domestic Violence, Poverty and Capacity Building match the needs of some of the most vulnerable in this borough. These needs are consistent with our own Fairer Future vision and strategic priorities for residents. A number of Southwark based organisations are funded by this scheme to deliver services to meet these needs e.g. Thames Reach and St Mungo's. This supplements the funding already invested by the council. Funding for second tier organisations such as the Refugee Council, Age Concern or London Voluntary Service Council also helps support the work of voluntary organisations in Southwark.

The individual borough contributions are based on population estimates and grants are awarded to tackle deprivation and meet needs. Southwark residents are net beneficiaries of this programme due to the relative poverty and deprivation in the borough. In response to both the austerity and Localism agendas the Borough Levy that makes up the majority of the Scheme has been radically reduced in recent years following a major review of commissioning. For 2011/12 the total Scheme budget was almost £21 million whereas the proposed budget for 2015/16 is £10 million. This is the same level as for the last 3 years. Due to an increase in population there is a slight increase in Southwark's contribution this year.

The main focus of monitoring by the Grants Committee is on the delivery of outcomes. Annual and quarterly reports are submitted and these include how partners, including boroughs are kept informed. The Committee has no major concerns about under performance by organisations. Only about 5% of their budget is allocated to administration and monitoring.

I would recommend that cabinet approve Southwark's contribution for 2015/16.

## **RECOMMENDATION**

1. That the cabinet approve Southwark Council's contribution to the London Councils Grants Scheme of £319,175 for 2015/16, subject to approval of the council budget by the council assembly in February 2015.

## **BACKGROUND INFORMATION**

2. The London Councils Grants Scheme was established following the abolition of the Greater London Council as a means of maintaining support to voluntary organisations providing London-wide services. Organisations supported by the scheme are required to provide services across at least two London boroughs in order to qualify for support.
3. 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 2015/16 the apportionment is based on the Office for National Statistics (ONS) June 2013 estimate of population.
4. In accordance with the Grants to Voluntary Organisations Order 1992 which came into effect on 2 November 1992 and remains in force, two-thirds of constituent councils must agree the budget before 1 February 2015. If not the overall level of expenditure will be deemed the same as that approved for 2014/15 which totalled £10,000,000.

## **KEY ISSUES FOR CONSIDERATION**

### **London Council's 2013–14 to 2016-17 funding programme**

5. The principles and priorities of the current programme were set by the London Councils Leaders' Committee in 2012.
6. The principles agreed are to commission services:
  - That deliver effectively and can meet the outcomes specified by London Councils, rather than funding organisations
  - Where there is clear evidence of need for services that complement borough 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
  - That can not reasonably be delivered locally, at a borough or sub-regional level
  - That work with statutory and non-statutory partners and contribute to meeting the objectives of the Equality Act 2010.
  - Services which satisfy the principles outlined above were required to meet at least one of the following priority areas in order to be eligible for receipt of funding from the scheme.

7. The four priority areas agree are:
- 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 support services
  - 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.
8. The Leaders' Committee agreed for the current round of the Programme to run from 2013-14 to 2016-17, subject to a review in 2014 of delivery rather than strategic priorities. This review has now taken place and the report stated that they considered projects to be delivering on achieving the objectives of the four priority areas and found them to be:
- Effective - all projects are meeting or exceeding their targets overall (i.e., in the RAG – red, amber, green - rating), and their record on equality and diversity is strong
  - Economical – there are no overspends and money unspent in one part of the Programme is quickly redirected to another part
  - Efficient – projects have to compete for funding, and they concentrate expertise and programme management.
9. Performance monitoring visits are carried out to check on the delivery of activities and the provider is visited at least twice a year. Officers continue to address issues raised at monitoring visits with project staff to ensure that the robust nature of programme oversight is maintained. There have been no payments held back from commissions in respect of under-performance in the current financial year. London Councils staff report on performance at the quarterly borough grants officers meeting.

#### **London Councils Grants Scheme 2015/16 budget**

10. The London Councils Grants Committee considered proposals for expenditure at its meeting on 26 November 2014 and these were ratified by London Councils Leaders' Committee on 9 December 2014.
11. The budget being recommended to constituent councils is set out below.

**Overall Level of Expenditure** **£10,000,000**

**Made up of:**

- |                                     |           |
|-------------------------------------|-----------|
| • London Councils Grants Programme  | 7,540,000 |
| • Membership Fees to London Funders | 60,000    |

- ESF Co-Financing 1,880,000
- Operating (Non-Grants) Expenditure 453,000
- Central Recharges 102,000

**Income will comprise of:**

- Borough contributions 9,000,000
- European Social Fund grant 1,000,000

**Community Impact Statement**

12. The London Councils Grants Scheme enables voluntary organisations based throughout London to deliver services and activities within the four defined priority areas:
  - Homelessness
  - Sexual and domestic violence
  - Poverty
  - Capacity building
13. Southwark contributes to the provision of these London wide services meeting the needs of some of the most vulnerable communities within Southwark and across London experiencing barriers to economic and social wellbeing. Southwark Council influences the pattern of the London Councils support through its representation on both Grants and Leaders Committees as a constituent council.
14. This funding is based on levels of deprivation and need. Residents in Southwark benefit from a wider range of services from organisations other than those simply based within the borough. Organisations based in Southwark also serve the populations of other London boroughs.
15. London Councils' funded services provide support to people within all the protected characteristics (Equality Act 2010), and in particular targets groups highlighted as particularly hard to reach or more affected by the issues being tackled. Funded organisations are also required to submit equalities monitoring data, which can be collated across the grants scheme to provide data on the take up of services and gaps in provision to be addressed. Their grants team reviews this annually.

**Financial implications (26DKz14/15)**

16. A base budget of £316,707 exists on cost centre CE411 to fund this contribution to London Councils' grant scheme. This is £2,468 less than the contribution of £319,175 due to the increase in Southwark's population relative to the other boroughs contributing to the scheme. The subscription will need to be considered within the context of the overall council budget-setting process.
17. For the 2014/15 subscription, London Councils applied a £27k one-off reduction in Southwark Council's subscription as it utilised some of the reserves it had

built up over time. As a consequence, it was decided that this one-off underspend on budget would be utilised to increase the Southwark VCS grant scheme. It must be noted that this reduction was a one-off and that the Southwark VCS grant scheme will have to be commensurately reduced in 2015/16 when compared to the grant scheme allocations for 2014/15. For clarity, it does not mean that the overall budget allocation for the 2015/16 grants scheme has been reduced by £27k.

## **Consultation**

18. Southwark Council is represented on the London Councils Grants and Leaders Committee. In addition officers attend the London Councils Grants officers meetings chaired by Southwark's Community Engagement Senior Commissioning Officer. The Scheme requires two third of constituent councils to support the recommended budget. If this is not achieved then the budget will remain at the 2011/15 level.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Legal Services**

19. This report seeking the approval of the cabinet to approve the London Councils Grant Scheme 2015-2016.
20. The Director of Legal Services notes the contents of this report and confirms that under Part 3 B of the Constitution the cabinet has responsibility to formulate the council's overall policy objectives and priorities.
21. Pursuant to regulation 6(8) of the Levying Bodies (General) Regulations 1992 the council is required to contribute to the London Councils Grants Scheme.
22. The Equality Act 2010 introduced a single public sector equality duty. This duty requires us to have due regard in our decision making processes to the need to:
  - (a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - (b) Advance of equality of opportunity between persons who share a relevant protected characteristic and those who do not share it
  - (c) Foster good relations between those who share a relevant characteristic and those that do not share it.
23. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also applies to marriage and civil partnership, but only in relation to (a) above.
24. The council is required to act in accordance with the equality duty and have due regard to the duty when carrying out its functions, which includes making decisions in the current context.
25. The report author refers at paragraph 11 to the fact that equalities have been considered.

**Strategic Director of Finance and Corporate Services (FC14/038)**

- 26. This report seeks cabinet approval for Southwark council's contribution to the London Councils Grants Scheme of £319,175 for 2015/16. The financial implications are detailed in paragraphs 12 and 13.
- 27. The strategic director of finance and corporate services notes the commitment. The commitment for 2015/16 can be contained within existing budgets and will be identified in the council's budget setting process.

**BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
Correspondence from London Councils:  London Councils Grants Scheme Budget Proposals 2015-16 Committee Report	Community Engagement, Housing & Community Services, 160 Tooley Street London SE1 2QH	Angus Lyon 020 7525 4069
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4866&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4866&amp;Ver=4</a>		

**APPENDICES**

No.	Title
None	

**AUDIT TRAIL**

<b>Lead Officer</b>	Stephen Douglass, Head of Community Engagement	
<b>Report Author</b>	Angus Lyon, Commissioning Officer	
<b>Version</b>	Final	
<b>Dated</b>	16 January 2015	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	16 January 2015	