

Item No. 14.	Classification: Open	Date: 8 December 2015	Meeting Name: Cabinet
Report title:		London Councils Grants Scheme 2016-2017	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Michael Situ, Communities and Safety	

FOREWORD - COUNCILLOR MICHAEL SITU, CABINET MEMBER FOR COMMUNITIES AND SAFETY

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 current defined priority areas are Homelessness, Sexual and Domestic Violence, Poverty and Capacity Building. 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. This supplements the funding already invested by the council.

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 significantly reduced in recent years following a major review of commissioning. In addition, for 2016-17 only, a transfer from Grants Committee reserves of £486,000 will be made and returned to boroughs in the form of a one-off repayment.

2016-17 is the final year of this four year programme of commissions and London Councils have consulted over the need for pan London services after this date and future priorities. Southwark Council has responded that there remains a need for commissioning of pan-London services. Recommendations are currently being considered on the scope and scale of the future commissioning programme from 1 April 2017. As part of this process, the Chair of the London Council's Grants Committee has sent a motion to the Leaders Committee supporting the continuation of the programme for the period 2017/21 but with some key recommendations.

These are support for the continuation of a grants programme combatting sexual and domestic violence and reducing poverty caused by worklessness. There may be a case for a programme focussed on homelessness subject to stronger evidence being provided of where that homelessness comes from across London and addressing differing priorities between inner and outer London. Due to financial constraints there is unlikely to be a strong enough case for continuing a programme on capacity building in the voluntary sector.

I would recommend that Cabinet approve Southwark's contribution for 2016/17.

RECOMMENDATION

1. That the Cabinet approve Southwark Council's contribution to the London Councils Grants Scheme of £301,664 for 2016-17, subject to approval of the council budget by the Council Assembly in February 2016.

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 Regulation 6(8) of the Levying Bodies (General) Regulations 1992. Individual council's contributions should be proportionate to their populations. For 2016-17, the apportionment is based on the Office for National Statistics (ONS) June 2014 estimate of population.
4. In accordance with the Order issued by the Secretary of State for the Environment under Section 48 (4A) of the Local Government Act 1985, two thirds of constituent councils must agree the budget before 1 February 2016. If not then the overall level of expenditure will be deemed the same as that approved for 2015-16 that totalled £10,500,000.

KEY ISSUES FOR CONSIDERATION

London Council's 2013/17 funding programme

5. The principles and priorities of the current programme were set by the London Councils Leaders' Committee in 2012.

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 that 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.

The four priority areas agreed 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.
6. Performance monitoring visits are carried out to check on the delivery of activities and the provider is visited at least twice a year. In addition, there was a review of delivery of the current round of the programme in 2014. This reported that the projects were delivering on achieving their objectives. Officers continue to address issues raised at monitoring visits with project staff to ensure that the robust nature of programme oversight is maintained. London Councils staff report on performance at the quarterly borough grants officers meeting.

London Council's Grants Scheme 2017-18 onwards

7. The current London Councils grants programme ends in March 2017 and London Councils have consulted over whether the programme should continue and if so, what its priorities should be. Southwark Council responded to the consultation and indicated its support for continuation of the programme. A clear majority of boroughs were in favour of continuing the programme and future priorities were suggested. A copy of the consultation response is available as a background document. Officers with responsibility within the council for the four priority areas contributed to the consultation response. The response highlighted areas where improvements to the scheme's operation should be made for the future, including better co-ordination and communication at a borough level.

London Councils Grants Scheme 2016-17 budget

8. The overall budget of £10 million for the Grants Scheme in 2016-17 is a reduction of £500,000 on the current year. A transfer from Grants Committee reserves of £486,000 has been made and returned to the boroughs in the form of a one-off repayment. The Southwark share of the one-off payment is £17,220. There is therefore a reduction in the Southwark contribution from £319,175 in 2015-16 to £301,664 in 2016-17. There has been a significant reduction in the cost of the grants programme and in Southwark's share in recent year. In 2010/11 the Southwark levy was £960,621 so the current year's contribution is a third of that amount.

2012-13 Southwark levy	£421,773
2013-14 Southwark levy	£316,707
2014-15 Southwark levy	£289,701

9. The London Councils Grants Committee considered proposals for expenditure at its meeting on 18 November 2015 and these were ratified by London Councils Leaders' Committee on 8 December 2015.
10. The budget being recommended to constituent councils is set out below.

Overall Level of Expenditure **£10,486,000**

Made up of:

• London Councils Grants programme	7,505,000
• Membership Fees to London Funders	60,000
• ESF Co-Financing	1,880,000
• Operating (Non-Grants) Expenditure	886,000
• Central Recharges	155,000

Income will comprise of:

• Borough contributions	9,000,000
• European Social Fund grant	1,000,000
• Transfer from reserves	486,000

Community impact statement

11. 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
12. 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.
13. 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.
14. 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. The recent review of the grants programme included information on the equalities effects of the current programme that enabled decisions to be made on the future of the scheme, informed by the equalities impact of the current priorities.

Financial Implications

15. Southwark Council has a budget of £316,707 set aside on cost centre CE411 to fund annual contributions to the London Councils grant scheme. This is sufficient for the amount of £301,664 proposed for 2016-17.

Consultation

16. Southwark Council is represented on the London Councils Grants and Leaders Committee. In addition, officers attend the London Councils Grants officers meetings. The Scheme requires two third of constituent councils to support the recommended budget. If this is not achieved then the budget will remain the same as that approved for 2015-16. As mentioned earlier in this report, London Councils have consulted boroughs and others as to whether the programme should continue past March 2017 and if it does, what the programme priorities should be from 1 April 2017. Following consultation within Southwark Council, the borough responded that it will support the continuation of the grants programme from 1 April 2017 as well as wanting improved coordination and communication at borough level. See Background Documents for more information on Southwark Council's response to this consultation and London Councils summary of all consultation responses.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

17. The director of law and democracy notes the content of this report.
18. Section 48 of the Local Government Act 1985 ('the Act') enables schemes to be made in relation to Greater London and the metropolitan counties for the making of grants to voluntary organisations. In each such area, one constituent council is designated in the scheme for purpose of making the grants, with the other councils contributing financially. In Greater London the constituent councils are the councils of the London boroughs and the Common Council of the City of London. The London Councils Grants Scheme is governed by section 48 of the Act.
19. The council is required under section 48 (3) of the Act to contribute to any expenditure that has been incurred with the approval of two-thirds of the constituent councils. The council's contribution is determined by reference to the size of the council's population.
20. By virtue of section 48 (4)(A) of the Act and The Grants to Voluntary Organisations (Specified Date) Order 1992, it is provided that where a scheme

which relates to Greater London requires expenditure under the scheme to be approved by some or all of the constituent councils but the total expenditure in relation to a financial year beginning on or after 1st April 1993 is not so approved before 1st February immediately preceding that financial year the constituent councils shall be deemed to have given their approval to the amount approved or deemed to have been approved for the preceding financial year.

21. When making such determinations the council must have due regard to the public sector equality duty contained within section 149 of the Equality Act 2010. That is the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and those who do not and foster good relations between those who share a relevant characteristic and those that do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
22. Paragraphs 11 to 14 of the report which note the community impact statement, demonstrate how the council has had due regard to PSED and cabinet should satisfy themselves that this duty has been complied with when considering the recommendation.
23. Cabinet is also referred to paragraph 16 of this report, which sets out the consultation that has taken place. Cabinet must conscientiously take into account the outcome of consultation when taking a decision on the recommendation in this report.

Strategic Director of Finance and Governance (FC15/033)

24. This report seeks cabinet approval for Southwark Council’s contribution to the London Councils Grants Scheme of £301,664 for 2016-17. The financial implications are detailed in paragraph 15.
25. The strategic director of finance and governance notes the commitment. The commitment for 2016-17 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 2016-2017 Committee Report	Housing & Modernisation, 160 Tooley Street London SE1 2QH	Angus Lyon 020 7525 4069
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5142&Ver=4		

Background Papers	Held At	Contact
Response to London Council's Grants Consultation 24 September 2015	Housing & Modernisation, 160 Tooley Street London SE1 2QH	Angus Lyon 020 7525 4069
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&Mid=5142&Ver=4		

APPENDICES

No.	Title
Appendix 1	London Councils Grants Committee 18 November 2015, Motion from the Chair

AUDIT TRAIL

Cabinet Member	Councillor Michael Situ, Communities and Safety	
Lead Officer	Stephen Douglass, Director of Communities	
Report Author	Angus Lyon, Commissioning Officer	
Version	Final	
Dated	26 November 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	26 November 2015	

APPENDIX 1

London Councils Grants Committee - 18 November 2015 Motion from the Chair

LONDON COUNCILS GRANTS COMMITTEE
18th November 2015

Motion from the Chair

The Grants Committee would ask the Leader Committee to note that:

There is majority support for a pan-London programme based on agreed principles and that the evidence mostly shows that the current four year programme (2013 to 2017) is delivering for all Londoners, within the limits of the £10m pa programme. It is important to note that for specialist services, including services for those for groups within equalities protected characteristics, that these can best be organised at London level. For the two years 2013 to 2015, headline evidence of outcomes shows that 198,000 new interventions helped Londoners against our priorities.

Having considered the performance of the 2013/17 grants programme to date and the results of the recent consultation, Grants Committee recommends to Leaders Committee:

1. There is a strong case for continuing a grants programme focused on combatting sexual and domestic violence and on poverty through worklessness (accessing ESF match funding) for the 2017/21 period;
2. There may be a case for continuing a programme focused on homelessness provided that Grants and Leaders Committee can be given stronger evidence of where that homelessness currently comes from across London and also that going forward commissions can address the differing priorities between inner and outer London;
3. While not without merit, given current financial constraints, there is unlikely to be strong enough case for continuing a programme on capacity building in the voluntary sector; and
4. Going forward, boroughs need to be assured that:
 - i. Robust, regular and transparent monitoring and reporting of the activities of the Grants Programme continues so that outcomes benefiting their residents can be evidenced;
 - ii. That service providers are working in partnership with boroughs Third Sector organisations;
 - iii. That commissioned outcomes can evidence clear and transparent value for money; and
 - iv. London Councils should facilitate a stronger network of officer relationships between itself, senior Borough officers and third sector providers and umbrella organisations in each borough to ensure continuing Pan-London ownership of the whole Grants Programme.