

	<p style="text-align: center;">Executive 16 January 2011</p> <p style="text-align: center;">Report from the Director of Strategy, Partnerships and Improvement</p>
For Action	Wards Affected: All
<p>Report Title: London Councils Grant Scheme 2012/2013</p>	

1.0 Summary

This report seeks agreement to London Councils Grants Committee budget for 2012/13 and the associated reduction in the level of contribution by Brent Council to the London Borough Grants Scheme.

2.0 Recommendations

Members of the Executive are recommended by London Councils to:-

- 2.1 Agree the recommended budget for the London Councils Grant Scheme and the contribution of £377,097 to be paid by the Council towards the London Boroughs Grants Scheme for 2012/13.
- 2.2 To agree the reallocation of the sum of £83,832, which is no longer paid towards the London Boroughs Grant Scheme, by:
 - (a) allocating the sum of £24,583 to cover the overspend created by the increase in the contribution sought from London Councils during 2011/2012 (as set out in paragraph 4.3 of this report), and by:
 - (b) allocating the remaining sum of £59,249 to Brent Council's Voluntary Sector Initiative Fund.

3.0 Detail

- 3.1 The aim of the London Councils Grant Scheme is to provide funding for voluntary organisations delivering London-wide projects or operating in two or more London boroughs that support the London population.
- 3.2 Prior to the 2011/12 budget London Councils reviewed the scheme, following concerns raised by boroughs that sub regional and locally allocated funding did not adequately address local needs and they did not feel they were benefiting from the financial contribution they made to the scheme. The aim was to have greater influence on how future funding is deployed at a local level. As a result of the review London Councils decided to amend their

funding criteria and agreed that the scheme would solely fund London wide services and would no longer commission projects that are provided on a sub-regional or local basis. The decision by London Councils in January 2011 was subject to a judicial review challenge. The Administrative Court in the judicial review case found that insufficient consideration had been given to equalities duties in London Councils' approach to categorising and assessing the equality impact of their proposed change in funding. A further equality impact assessment and a further decision on the issue had to be undertaken taking into account the equality impact assessment. The revised budget reflecting this was agreed by Full Council in July 2011.

- 3.3 The London Councils Grants Committee considered proposals for expenditure in 2012/13 at its meeting on 9 November 2011. The Leaders' Committee agreed a budget at its meeting on 13th December and recommended constituent councils to agree to an overall level of expenditure of £12,500,000 comprising of £11,845,000 towards grants, £595,000 on administrative expenditure and £60,000 London Funders membership fees. Income would comprise of: £1,000,000 European Social Fund Grant and £11,500,000 borough contributions.
- 3.4 The draft budget includes provision for funding organisations until the end of their agreement with London Councils. It also provides funding to extend a number of commissions until March 2013, pending decisions to be made on the 2013/14 budget and programme going forward. Those decisions will be taken in 2012 and will be informed by consultation on the principles and priorities of the Scheme going forward from 2013/14 onwards and an assessment of impacts on equalities groups in compliance with the Equality Act 2010.
- 3.5 London Councils recommend an overall reduction in the level of borough contributions to the Scheme of £2.487 million for 2012/13. This represents a 17.8% reduction compared with the current financial year of 2011/12.
- 3.6 The context in which this recommendation is made is set out in reports to Grants Committee on 9 November 2011 and to the Leaders' Committee on 13 December 2011. These reports concern both the future London wide European Social Fund programme and the overall Grants Committee budget. London Councils notified Brent Council of this in their "Chief Executives' Circular" on 16th December 2011, with a requirement for a decision from constituent London Boroughs ideally by 20th January and no later than 31st January 2012.
- 3.7 Three local organisations in Brent have received direct funding from London Councils in 2011/12. Decisions are yet to be made on funding for the whole of 2012/2013. The budget includes funding for 80% of commissions due to finish part way through 2012 to be funded until the end of March 2013. Consultation and equality impact assessments will inform how this funding is allocated as set out in paragraph 3.4 above. Several organisations in London, funded through the scheme, state that at least 10% of the people they help are from Brent. The number of Brent residents accessing services from all the organisations funded is unclear as insufficient data is available from London Councils on local usage.
- 3.8 In 2011/12 Brent contributed £460,929 to the scheme. Members are asked to agree to a contribution of £377,097 to be paid by the Council towards the London Boroughs Grants Scheme for 2012/13. The total contribution required from each constituent Council for 2012/13 is shown at Appendix 1.

- 3.9 By accepting the revised recommendations of London Councils, the Council will need to consider the impact the reduced contribution will have on local organisations, residents and current funded organisations. The Council will need to take any potential adverse impact into consideration in deciding what to do with the proportion of funding which is no longer contributing to the London Councils Grant Scheme. It is recommended that members agree to the reallocation of the sum of £83,832, which is no longer paid towards the London Boroughs Grant Scheme, by allocating the sum of £24,583 to cover the overspend created by the increase in the contribution sought from London Councils during 2011/2012 (set out in paragraph 4.3 above) and the remaining £59,249 allocated to the proposed Voluntary Sector Initiative Fund, proposals for which come before the Executive for decision in January 2012.

4.0 Financial Implications

- 4.1 The London Councils Leaders Committee agreed a recommended budget on 13th December 2011 and a Chief's Executives' Circular was issued by London Councils on 16th December 2011 (Appendix 2).
- 4.2 The overall level of London Borough's contributions to the Grant Scheme that is recommended for 2012/13 represents a 17.8% reduction. For Brent Council the proposed 2012/2013 subscription of £377,097 represents an 18% reduction on the 2011/2012 subscription of £460,929, a net reduction of £83,832.
- 4.3 The revised contribution from Brent to the London Councils Grants Scheme for 2011/12 of £460,929 represented an overspend of £24,583 compared to the original £436,346 contribution agreed. This increased contribution reflected some of the cost of addressing the judicial review and the continuation of grant funding to organisations whilst the review was completed. It is recommended that £24,583 of this is used to cover this overspend and the remaining £59,249 is allocated to the infrastructure stream proposed in the Voluntary Sector Initiative Fund Report which will be submitted for a decision by members at January 2012 Executive.
- 4.4 Details of all London Boroughs contributions for 2012/13 are included in Appendix 2.
- 4.5 Members are asked to note that the Meeting of Full Council in February 2011 agreed that the 2011/2012 budget included allocation of the funding no longer expected as a contribution to the London Councils Grants Scheme. £231,500 was reinvested in safeguarding advice and guidance services and £249,000 was allocated to savings.

5.0 Legal Implications

- 5.1 Constituent Councils of London Councils, which includes Brent Council, are required to contribute to any London Borough Grants Scheme expenditure, which has been incurred with the approval of at least two-thirds of the constituent Councils, pursuant to section 48 of the Local Government Act 1985. Contributions are to be proportionate to constituent Councils' populations pursuant to Regulation 6(8) of the Levying Bodies (General) Regulations 1992.
- 5.2 In October 1985, the London Borough Grants Scheme was set up in accordance with the requirements of section 48 of the Local Government Act 1985. The purpose of this scheme is to provide funding for voluntary organisations offering London-wide services or operating

in two or more London boroughs. The thirty two London Boroughs and the Corporation of London are required by statute to contribute to the London Boroughs Grant Scheme.

- 5.3 For 2012/13 the apportionment is based on the ONS mid-year estimates for 2010 in accordance with Section 48 (4) Local Government Act 1985, which states that “the population of any areas shall be taken to be the number estimated by the Registrar General and certified by him to the Secretary of State by reference to such date as the Secretary of State may from time to time determine.”
- 5.4 Further to the Grants to Voluntary Organisations (Specified Date) Order 1992 (which came into effect on 2 November 1992 and remains in force), the London Borough Grants Scheme budget must be agreed by two-thirds of constituent Councils before 1 February 2012. If it is not, the overall level of expenditure will be deemed to be the same as that approved for 2011/12 (i.e. £20.767 million).
- 5.5 The Chief Executive of London Councils has advised that the Leaders’ Committee of London Councils, in reaching their decision regarding the 2012/13 London Grants Scheme, had regard to the public sector equality duty as set out in section 149 of the Equality Act 2010. Section 149(1) of the Equality Act 2010 requires a public body, when exercising its functions, to have ‘due regard’ to the need to eliminate discrimination, harassment and victimization and other conduct prohibited under the Equality Act 2010, and to advance equality of opportunity and foster good relations between those who share a ‘protected characteristic’ and those who do not share that protected characteristic. A ‘protected characteristic’ is defined in the Equality Act 2010 as: age, disability, gender reassignment, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief, sex and sexual orientation. Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.
- 5.6 Under section 149(3) of the Equality Act 2010, the requirement to have due regard to the need to advance equality of opportunity includes having due regard to the need to:- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

6.0 Diversity Implications

- 6.1 In reaching its decision, Leaders’ Committee of London Councils states the way in which its approach continues to respond to equality impact assessment undertaken and fed back at the May 2011 Grants Committee. It outlines a plan for further detailed work to assess whether to extend particular commissions beyond their fixed term following a new consultation exercise to look at funding in 2013/2014. The Chief Executive of London Councils has advised that the Leaders’ Committee of London Councils have given regard to the duties set out in the Equality Act 2010 when making its decision regarding the budget for the London Councils Grants Scheme 2012/13. A copy of the report that was presented to the Leaders’ Committee of London Councils on 13 December 2011 in respect of the budget

proposals for London Grants Scheme is set out in Appendix 3 and Members are referred to the content of that report. The recommended budget is intended to mitigate the effects on equalities groups receiving services and enabling an assessment to be made of the equalities effects in making further specific recommendations to members of London Councils about the future direction of the Programme. Members of London Councils will be considering these issues in the context of large overall reductions in public spending and the 2010/11 review of the scheme which placed more emphasis upon commissioning by individual boroughs and groups of boroughs as opposed to the pan London level.

- 6.2 It is difficult to assess the impact for groups with protected characteristics in Brent as there is a lack of detailed information about the direct benefits of the London Boroughs Grants scheme to Brent's residents.
- 6.3 Officers will monitor the immediate impact of the change through complaints and/or correspondence received.

Background Papers

- London Councils Chief Executives' Circular 16th December 2011
[Not yet online](#)
- London Councils Leaders' Committee 13th December 2011
www.londoncouncils.gov.uk/committees/agenda.htm?pk_agenda_items=4674
- London Councils Grants Committee 9th November 2011 –
http://www.londoncouncils.gov.uk/services/grants/aboutus/meetings.htm?pk_meeting=835&comid=3
- London Councils Chief Executives' Circular 26th May 2011
www.londoncouncils.gov.uk/.../Circ411LCsGrantsSchemeLevy2011.pdf
- Further review of future role and scope of London Council's Grants Scheme
www.londoncouncils.gov.uk/committees/agenda.htm?pk_agenda_items=4422
- London Councils Leaders' Committee 10th May 2011 – Future role and scope of grants scheme item
www.londoncouncils.gov.uk/committees/agenda.htm?pk_agenda_items=4428
- London Councils Grants Committee May 6th 2011 Grants paper appendices including the additional equality impact assessment and outcomes of the second round of consultation
www.londoncouncils.gov.uk/committees/agenda.htm?pk_agenda_items=4423
- Leaders' Committee future role and scope of London Councils Grants Scheme Item 14th December 2010
www.londoncouncils.gov.uk/committees/agenda.htm?pk_agenda_items=4306
- London Councils Chief Executives' Circular 24/10 and related documents
www.londoncouncils.gov.uk/aboutus/corporatepublications/ceocirculars/24-10.htm
- London Councils – Consultation on the Review of the future role and scope of the London Council's Grants Scheme.
www.londoncouncils.gov.uk/services/grants/consultation.htm

Appendices

Appendix 1: Proposed London Borough Contributions to London Councils Grant Scheme 2012/2013

Appendix 2: London Councils' Chief Executives' Circular dated 16 December 2011

Appendix 3: Report to the Leaders' Committee dated 13 December 2011 in respect of the London Councils Grant Scheme 2012/13 (excluding the appendices regarding ESF options, which can be found at the weblink above)

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