



Report of: **Executive Member for Finance and Resources**

Meeting of	Date	Agenda Item	Ward(s)
Voluntary and Community Sector Committee	23 January 2014	B3	All
Delete as appropriate		Non-exempt	

LONDON COUNCILS' GRANTS COMMITTEE – LEVY 2014-15

1. Background

- 1.1. This report seeks approval for the London Councils' Grants Committee (LCGC) 2014-15 provisional budget, and the payment by the Council of its annual subscription. The Council, together with other London boroughs, is a member of the LCGC. Accordingly the Council is required to approve the annual committee budget (£10m in 2014-15) and the Council's levy (£208k in 2014-15).
- 1.2. The Council's annual subscription currently contributes towards the funding of many London-wide organisations providing a wide range of services. These services are accessible by Islington residents and contribute towards the Council's priorities including tackling crime and providing decent and affordable housing. Islington residents and Islington-based organisations currently receive considerable benefit from the annual subscription. The net-benefit to Islington residents is estimated to be about £0.4m per annum.

2. Recommendations

- 2.1. To note the LCGC proposed 2014-15 annual budget of £10m (paragraph 3.3).
- 2.2. To agree Islington's estimated contribution of £208k (including one off reimbursement of £20k from LCGC balances) in 2014-15, a decrease of 8% on the 2013-14 contribution (paragraph 3.4).
- 2.3. That VCS Committee agree to direct the equivalent of the £20k LCGC refund to the Islington Advice Alliance and that this is included in the budget report (paragraph 3.5).

3. London Councils' Grants Committee Levy 2014-15 - Analysis

3.1. The London Councils' Grants Committee has agreed the following priorities for 2013-15 commissioning; these reflect some of the Council's priorities and historically the funding has been of benefit to both Islington residents and Islington based voluntary organizations:

- Homelessness
- Sexual and Domestic Violence
- Tackling Poverty (through advice and training for employment)
- Support for London's voluntary and community organisations

3.2. Islington currently benefits in two ways from being a member of the Committee.

3.2.1. Firstly, it is currently estimated that at least 20% (£2m) of the current year funding approved by the LCGC is allocated to commissioning organisations based in the borough, although most commissioning organisations provide services across London and in many cases benefit Islington residents.

3.2.2. Secondly, it is estimated that up to £0.4m (4%) of the current funding benefits Islington residents. This has included funding to organisations subcontracted to provide services by commissioning organisations, including Alone in London Service and Hillside Clubhouse.

3.3. The total budget for the scheme will be £10m in 2014-15, unchanged from 2013-14. Total borough contributions will reduce from £9m in 2013-14 to £8.2m in 2014-15, as a result of a one off reimbursement to boroughs of £0.8m from LCGC balances. Borough contributions towards administrative costs will be £0.4m in 2014-15, unchanged from 2013-14. The remaining £1m will be financed by European Social Fund grants.

3.4. The Islington contribution to the scheme is expected to reduce from £226k in 2013-14 to £208k in 2014-15.

3.5. The reduction in the Islington contribution includes our share of the one off reimbursement to boroughs from LCGC balances which is worth £20k. We propose to direct the equivalent of the £20k refund to the Islington Advice Alliance. This proposal will be included in the budget report.

4. Implications

4.1. Financial Implications

4.1.1. For 2014-15 the total budget for the Committee will be £10m and the Council's levy will be £208k. This represents a decrease in the charge to Islington Council of £18k from the current levy of £226k in 2013-14. The decrease in the budget will relieve some pressure on a very tight corporate levies budget (from which the LCGC levy is funded) and will increase the flexibility to pay for any above-estimate increases in other levies such as concessionary fares.

4.1.2. The budget was approved by the London Councils Leaders Committee on 12 November 2013 and is subject to the agreement of two-thirds of London boroughs by the end of January 2014.

4.2. Legal implications

4.2.1. Under the constitution of the LCGC, the Council is required to confirm the Committee's budget and its own contribution. The Council is required to inform the Committee of its approval or otherwise by 1st February 2014.

4.3. Equalities Impact Assessment

4.3.1. A significant proportion of the grants made by the Committee are to organisations meeting the needs and priorities of a wide range of Islington's community, and in particular aimed at improving equality within the borough.

4.4. Environmental Implications

4.4.1. There are no direct environmental implications arising from this report

Final Report Clearance



Signed by:

Executive Member for Finance and Resources

9 January 2014

Received by:

Head of Democratic Services

Date

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