



Report of: **Executive Member for Finance, Performance and Community Safety**

Meeting of Voluntary and Community Sector Committee	Date 23 rd January 2017	Agenda Item	Ward(s) All
Delete as appropriate		Non-exempt	

LONDON BOROUGH GRANTS COMMITTEE – LEVY 2017-18

1. Background

- 1.1. This report seeks approval for the London Boroughs Grants Committee (LBGC) 2017-18 provisional budget, and the payment by the Council of its annual subscription. The Council, together with other London boroughs, is a member of the LBGC. Accordingly, the Council is required to approve the annual committee budget (£8.899m in 2017-18) and the Council's levy (£201k in 2017-18).
- 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 homelessness, unemployment and poverty. 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 LBGC proposed 2017-18 annual budget of £8.899m (**paragraph 3.3**).
- 2.2. To agree, Islington's estimated contribution of £201k in 2017-18, a decrease of £19k on the 2016-17 contribution, excluding the one off £12k rebate on our 2016-17 contribution. (**Paragraph 3.4**).

3. London Boroughs Grants Committee Levy - Analysis

- 3.1. The London Councils Grants Committee has agreed the following priorities; 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 about 18% (£1.572m) of the current year funding approved by the LBGC is allocated to commissioning organisations based in the borough, although most

commissioning organisations provide services across London and in many cases benefit Islington residents. It is likely that the 15% reduction in the overall programme due to the cessation of the capacity building programme will lead to a commensurate reduction in funding to Islington based organisations.

- 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. The 15% reduction in the overall programme is also likely to lead to a commensurate reduction in the benefit to borough residents.
- 3.3. The total budget for the scheme will be £8.899m in 2017-18. Total borough contributions will be reduced by £1.332m to £7.668m in 2017-18, as a result of the cessation of the capacity building programme from April 2017. Borough contributions towards administrative costs included in the above will be £0.4m in 2017-18, unchanged from 2016-17. The remainder will be financed by European Social Fund grants (£1m) and from Grants Committee reserves (£231k).
- 3.4. The Islington contribution to the scheme is expected to decrease from £220k in 2016-17 to £201k in 2017-18.

4. Implications

Financial Implications

- 4.1. The 2017-18 levy is within the estimated budget.
- 4.2. The budget is subject to the agreement of London Councils Leaders Committee on 6th December 2016 and the agreement of two-thirds of London boroughs by the end of January 2017.

Legal Implications

- 4.3. Under the constitution of the LBGC, 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 2017.

Residents Impact Assessment

- 4.4. 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.

Final Report Clearance

Signed by



Executive Member for Finance, Performance and
Community Safety

Date

Received by

Head of Democratic Services

Date

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