



## Report of: Executive Member for Community Development

Meeting of:	Date	Agenda item	Ward(s)
Voluntary and Community Sector Committee	21 March 2022		All

<b>Delete as appropriate</b>		Non-exempt
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### SUBJECT: LOCAL INITIATIVES FUND

#### 1. Synopsis

- 1.1 The Local Initiatives Fund (LIF) is a flexible devolved budget for councillors to use to address issues and priorities in their wards. It is an important element of the council's community provision and helps to meet the needs of local residents. In 2021/22 each ward has an allocation of £14,000 to spend on local schemes, with the exception of Bunhill and Clerkenwell who each had an allocation of £14,500. Councillors consider project ideas for their ward and make recommendations to the Voluntary and Community Sector Committee for formal approval.

#### 2. Recommendations

- 2.1 To consider the new proposals and changes to previous proposals submitted by ward councillors as set out in Appendix A and to agree these proposals in principle subject to the Corporate Director of Fairer Together being satisfied that the necessary checks have been made and any other issues resolved.
- 2.2 To note the declarations of interest made by councillors due to having a connection with organisations that they are recommending funding for. These are detailed at paragraph 4.6.
- 2.3 To continue with delegated authority to the Corporate Director Fairer Together, in consultation with the Executive Member for Community Development, to make changes to the use of previously awarded funding, with new applications to be considered by the Voluntary and Community Sector Committee.
- 2.4 To agree that the majority of the temporary revised measures for new and previously funded Local Initiative Fund projects implemented due to the Covid-19 pandemic, as detailed in the report to the Executive on 30 April 2020, apply to this last round of 2021/22 only. These are detailed at paragraph 4.1.
- 2.5 To agree that we revert to pre-Covid measures from the first round of 2022/23 onwards. These are detailed at paragraph 5.1.

- 2.6 To agree that from May 2022, an additional ward partnership co-ordinator be recruited for the Finsbury Ward Partnership (in recognition of the fact that this ward partnership covers 2 wards).
- 2.7 To note the reduction of annual ward budgets available to community projects from £14,000 per ward to £13,000 per ward as a result of the ward boundary changes and the reduction of the overall LIF budget from £240,000 to £238,000. This is detailed at paragraph 5.2.
- 2.8 To agree the carry forward arrangements of 2021/22 LIF underspend to 2022/23. This is detailed at paragraph 5.2.

### **3. Background**

- 3.1 The Local Initiatives Fund enables councillors to respond directly to priorities in their ward that lie outside of current mainstream funding programmes and might not otherwise receive funding. It helps them to address the needs of local residents and suggest improvements to local services/facilities or new schemes that will enhance the area.
- 3.2 The Voluntary and Community Sector Development Team in the Fairer Together department is responsible for managing the Local Initiatives Fund in liaison with ward councillors and members of the Voluntary and Community Sector (VCS) Committee. The team ensures that funds are used appropriately and for the purpose for which they are allocated.
- 3.3 The VCS Committee's terms of reference include 'To be responsible for the allocation of the Islington Community Fund including...allocating the Local Initiatives Fund having regard to the recommendations of the relevant ward members/relevant ward partnership or neighbourhood group and on the basis that the funding will be allocated equally among the 16 wards making up the council's area'.
- 3.4 The VCS Committee in April 2011 agreed that each ward councillor should be given a notional allocation of the Local Initiatives Fund (i.e. divided equally between the councillors elected for each ward). In 2016/17, £15,000 was available to each ward; therefore the notional allocation for each councillor was £5,000.
- 3.5 In January 2017, the Voluntary and Community Sector Committee agreed that in order to address the issue of recruiting and retaining support for ward partnerships, an incentive payment of £1,000 per annum would be paid to each ward partnership co-ordinator and that £1,000 per annum be set aside from each ward partnership Local Initiatives Fund budget to fund this support.
- 3.6 In 2021/22, the annual Local Initiatives Fund budget is therefore £225,000. This is £14,000 per ward apart from the Bunhill and Clerkenwell ward budgets which are each £14,500.
- 3.7 In November 2019, authority was delegated to the Head of Communities, to allocate funding, up to the value of £250, to activity to support Ward Partnership meetings. Awards approved under delegated authority should be reported to the next VCS Committee at which Local Initiatives Fund awards are considered. In September 2021, it was agreed that funding up to the value of £1,000 can be approved by the Head of Community Partnerships and Community Wellbeing North / Corporate Director Fairer Together for activity to support Ward Partnership meetings.

### **4. LIF Awards 2021/22**

- 4.1 On 30 April 2020, the Executive agreed that temporary revised measures for new and previously funded projects could be implemented due to the Covid-19 pandemic. It is proposed that these measures cease to apply from the next round onwards (2022-23) but the below still apply to this last round of awards in 2021/22. The measures included the following:

- Authority was delegated to the Executive Member for Community Development and the Corporate Director of Housing to approve final awards and changes to previously funded projects to prevent delays to funding being received. Approved awards will then be brought to the VCS Committee for information only.
- Previously funded organisations should be given the opportunity to change the use of the grant funding awarded including an extension to the timeline for the event. The normal funding terms and conditions state that all funding must be spent within 12 months of the date of the award. Organisations should be given the opportunity to spend their funding beyond the 12 months' timescale if needed.
- The monitoring of new and existing projects where the organisation is known to the council and has previously received funding should be ceased. Where an organisation is unknown, further information may be requested.
- Supporting documents do not need to be provided by new projects though each organisation will need to confirm that they have the appropriate governance documents in place. The VCS Development Team will carry out spot checks during this period and may request further information if needed.
- Ward budget underspends in 2020/21 exceeding £1,000 per ward can be carried forward to 2021/22.
- Applications received for events that will breach Government guidelines on social distancing will not be accepted.

4.2 Occasionally projects do not proceed as planned and funding is returned to ward budgets or the use of a grant has to be changed.

In November 2019, £1,200 was awarded to LBI Heritage Services for a memorial to the victims of the V2 rocket attack on the Grovedale Estate/St Johns Way on November 5th 1944. The unveiling of the plaque took place on 23 July 2021 (much later than planned due to Covid-19) and there was an underspend of £245 due to the fact that no reception was held also because of Covid rules. This £245 has therefore been returned to the Hillrise and St Mary's ward budgets for reallocation.

In April 2020, £500 was awarded to Holloway Neighbourhood Group on behalf of the Mayton Street Festival. The festival was due to be held on 11 July 2020 but was cancelled due to Covid rules. The residents who organised this festival did not choose to change the use of this funding so this £500 has been returned to the Finsbury Park ward budget for reallocation.

In November 2021, awards were made to the following ward partnerships for costs associated with holding ward partnership meetings or events which resulted in the following underspends, all of which have been returned to the relevant ward budgets for reallocation:

- Barnsbury – event on 30 October - £1,000 – underspend of £306.31
- Bunhill / Clerkenwell – meeting on 13 October - £50 – underspend of £28.29
- Canonbury – meeting on 29 September - £78.08 – underspend of £26.03
- Holloway – event on 17 October - £235 – underspend of £60

These amendments to the ward budgets are reflected in the budget summary on the last page of Appendix A.

In total, £1,177 has been returned to the ward budgets. This increases the amount available to allocate in 2021/22 from £102,447 to £103,624.

4.3 Ward councillors have considered 42 applications for funding from 39 applicants since the last VCS Committee in November. LIF normally funds projects in advance of them taking place which means that many of these projects take place after the ward boundaries have changed. In this round, councillors

were asked to allocate according to the current ward boundaries even though some projects sent to them may not end up benefitting their ward from May 2022 onwards.

2 of these applications were related to Ward Partnership activity, were recommended for funding and then formally agreed by the Corporate Director of Fairer Together under delegated authority.

Of the remaining 40 applications from 37 applicants, one application was withdrawn by the applicant and one application was deferred. As some wards were heavily oversubscribed for their remainder in this last round, they could not afford to fully fund all of the applications received so some applications were part funded and the councillors have asked that the balance of these applications be deferred to the next round in 2022/23.

A further four applications were not recommended for funding by ward councillors leaving a total of 34 applications from 32 applicants recommended by ward councillors. If these councillor funding recommendations are formally agreed by this VCS Committee, there will be £35,160 left in the 2021/22 budget and would mean that 124 grants have been awarded in 2021/22. This £35,160 will be carried forward and added to the 2022/23 budget.

A list of the 34 applications recommended for funding and the recommended amount for each application is set out in Appendix A. Two organisations are listed more than once in Appendix A. Two changes to the use of grants previously awarded are also listed at the end of Appendix A.

The two applications related to Ward Partnership activity are listed at the end of Appendix A for information only.

- 4.4 8 of the 16 wards have fully or nearly fully spent all of their available budget. All underspends will be carried forward to 2022/23.
- 4.5 8 of the 39 applicants were first time applicants to LIF. 2 of these were not recommended for funding.
- 4.6 Councillors must always declare their interest if they have a connection with an organisation that they are recommending funding for. Declarations of interest have been made for the following applications reported to this Committee:
- Cllr Sue Lukes is a Highbury Quadrant Estate resident who attends meetings and sometimes helps with events run by Highbury Quadrant Tenants and Residents Association that has been allocated £1,000 for a fun day.
  - Cllr Jenny Kay is a co-chair of Newington Green Action Group that will be using £3,000 awarded in 2017-18 for the purchase of food for a food cooperative.
  - Cllr Jenny Kay is a co-opted governor at Newington Green School that has been allocated £1,450.53 for work on a garden adjacent to the school.
  - Cllrs Tricia Clarke and Satnam Gill are co-opted trustees of Hilldrop Area Community Association that has been allocated £250 for costs associated with the Tufnell Park Christmas lights switch on and £500 for Super Soup Week (application submitted by Octopus Community Network).
  - Cllr Gary Poole chaired the joint LBI/St Mary's Church steering group for the St Mary's church garden project which has been allocated £3,000.
  - Cllr Anjna Khurana is a trustee of Hanley Crouch Community Association that has been allocated £1,435.95 for monthly health and well being workshops.

Awards were made to the following ward partnerships for costs associated with holding ward partnership meetings or events:

- Caledonian – meeting on 30 November 2021 - £159.70
- Bunhill / Clerkenwell (Finsbury) – meeting on 12 March 2022 - £80

The councillors funding these costs are members of these ward partnerships and the main organisers of the meetings / events so have declared an interest in the above. The names of the councillors funding these costs thereby declaring an interest are listed in Appendix A.

## 5. LIF Awards 2022/23

### 5.1 End to revised temporary measures introduced during the Covid-19 pandemic:

In 2022/23, we propose that the majority of temporary measures introduced during the Covid-19 pandemic cease. The following will apply from 2022/23 onwards:

- The funding terms and conditions stating that all funding must be spent within 12 months of the date of the award will be re-introduced.
- The monitoring of all projects will be re-introduced.
- Supporting documents do not need to be provided by all projects though each organisation will need to confirm that they have the appropriate governance documents in place. The VCS Development Team will carry out spot checks during this period and may request further information if needed.
- Ward budget underspends in 2022/23 exceeding £1,000 per ward will not be carried forward to 2023/24.
- Many previously funded projects have stalled and have not yet taken place. Therefore we propose to continue with delegated authority to the Corporate Director Fairer Together, in consultation with the Executive Member for Community Development, to make changes to the use of previously awarded funding only, with new applications to be considered by the Voluntary and Community Sector Committee.
- All organisations who have changed their project due to Covid-19 will need to have delivered their project by April 2023.
- Applications received for events that will breach Government Covid-19 guidelines will not be accepted (if restrictions are re-introduced).

### 5.2 Ward Boundary Changes:

From the date of the local elections on 5 May 2022, Islington will be represented by 51 councillors, three more than at present, and an additional ward will be added so that there are 17 wards.

It is proposed that the 2022/2023 budget of £240,000 is divided equally amongst the 17 wards, noting that £17,000 will be spent on honorarium payments to ward partnership co-ordinators, leaving £223,000 to be allocated by councillors to community projects (this works out at £13,118 per ward).

The Finsbury ward partnership will stay as a combined ward partnership covering Bunhill and Clerkenwell wards but two co-ordinators will cover this ward partnership due to the increased workload dealing with 6 councillors as opposed to the usual 3 per ward partnership. Up to now, one co-ordinator has dealt with this combined ward partnership.

We also propose that the £13,118 per ward be rounded down to the nearest thousand which means that every ward will have £13,000 to spend in 2022/23 (not including any carried forward 2021-22 underspend). This will mean that the overall annual LIF budget will no longer be £240,000 but £238,000 instead (reduced by £2,000) and the overall amount available to councillors to allocate to community projects would be £221,000. A total of £35,160 has been carried forward from 2021/22. This would mean that the total amount available to councillors to allocate to community projects in 2022/23 would be £256,160.

It is proposed that all wards carry forward their remainder from 2021-22 to the equivalent ward from May 2022 onwards (2022-23) where there is not a substantial change in ward boundary (this applies to 14 of the 17 wards). The most substantial change in ward boundaries is for these 3 new wards (St Peter's and Canalside, St Mary's and St James' and Laycock). To deal with this, we propose that:

- St Peter's 21-22 underspend be carried forward and added to the £13k starting budget in 22-23 for St Peter's and Canalside
- St Mary's 21-22 underspend be carried forward and added to the £13k starting budget in 22-23 for St Mary's and St James'

- We propose that Laycock starts with no underspend so its starting budget in 22-23 would be £13k.

Each re-elected councillor will have their individual 21-22 remainder added to their new 22-23 budget. New councillors will inherit the old councillors' remainder in all cases apart from where all 3 councillors in a ward are new (when the 21-22 underspend will be split between the 3 of them).

In addition, St George's ward will now be called Tufnell Park, Highbury West will now be called Arsenal and Highbury East will now be called Highbury.

## **6. Implications**

### **6.1 Financial implications:**

The Local Initiatives Fund in Financial Year 2021/22 has a total of £290,209 to allocate. This is comprised of an annual budget of £225,000 and a carried forward underspend/unallocated amount of £65,209 from previous financial years. An additional £15,000 LIF budget is spent on honorarium/ incentive payments to ward partnership co-ordinators to a total of £1000 per annum per ward (with Bunhill and Clerkenwell sharing a ward partnership co-ordinator).

Any recommendations for carry forwards of LIF underspends will be subject to yearly reviews of the wider financial needs of the Council. The current earmarked reserves as a consequence of previous financial year's carry forwards are sufficient to meet the funding requirements of this report.

Any loosening of monitoring procedures will need to ensure that suitable controls remain to ensure financial best practice in the Council's dealings with voluntary and community organisations.

The proposals referred to in this report can be met from budget and reserve allocations from the Local Initiatives Fund.

Financial Year 2022/23 will start with a total of £256,160 to distribute. This is comprised of an annual budget of £221,000 and a carried forward underspend/unallocated amount of £35,160. An additional £17,000 LIF budget will be spent on honorarium/ incentive payments to ward partnership co-ordinators to a total of £1000 per annum per ward. The core budget available for LIF will be £238,000.

Any recommendations to revert to previously held carry forward capping will reduce the carry forward and the money available for the LIF programme, but will improve the financial position of the Council.

### **6.2 Legal Implications:**

The general power of competence pursuant to Section 1 of the Localism Act 2011 provides the council with very broad powers 'to do anything that individuals generally may do'. This covers the power to give grants to voluntary and community sector organisations as proposed in this report and includes anything which it considers is likely to achieve the promotion or improvement of the economic, social or environmental well-being of the whole or part of its area or all or any of the persons resident or present in that area. The provision of resources through the Local Initiatives Fund is likely to promote the social and economic well-being of Islington's residents.

The council is under a fiduciary duty to ensure that its resources are used appropriately. Where the money is allocated to outside bodies, the requirements of the procurement rules may apply. In any event it will be important to maintain current practice of ensuring that the money will be used for the purposes for which it is allocated and that individual members are made aware of the responsibility they bear in making recommendations in relation to specific groups.

### **6.3 Environmental Implications and contribution to achieving net zero carbon Islington by 2030:**

Some of the projects funded by the LIF grants have carbon and environmental impacts, including the use of energy, fuel, water, food & drink, materials, and printing, while events being funded may create waste or journeys that contribute to transport-related emissions if attendees drive. However, some projects also have positive environmental impacts, including planting, greening areas and local food growing.

#### 6.4 **Equalities Impact Assessment:**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life.

The council must have due regard to the need to tackle prejudice and promote understanding and when considering proposals the VCS Committee will take relevant equalities implications into account. The Local Initiatives Fund provides resources for local projects which directly meet the needs of local residents, many of whom are from groups with protected characteristics. It enables some of Islington's poorest communities to access community-based services and activities and allows provision to be developed locally which can reach groups of residents that may not otherwise be supported.

### 7. **Conclusion and reasons for recommendations**

The Local Initiatives Fund is an effective way of addressing local priorities and provides a mechanism for ward councillors to support small projects which might otherwise not be funded. Proposals submitted for approval represent a wide range of activity and will deliver significant benefit to local communities.

Agreeing to carry forward residual amounts of funding to next year's budget will help to ensure a more efficient allocation of resources.

## **Appendices**

Appendix A – Local Initiatives Fund Proposals

**Background papers:** none

Final report clearance:

**Signed by:**

9 March 2022



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