



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

Meeting of	Date	Agenda Item	Ward(s)
Voluntary and Community Sector Committee	25 th January 2016		All
Delete as appropriate		Non-exempt	

LONDON BOROUGH GRANTS COMMITTEE – LEVY 2016-17

1. Background

- 1.1. This report seeks approval for the London Boroughs Grants Committee (LBGC) 2016-17 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 (£10.486m in 2016-17) and the Council's levy (£220k in 2016-17).
- 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 2016-17 annual budget of £10.486m (**paragraph 3.3**).
- 2.2. To agree, Islington's estimated contribution of £220k in 2016-17, a decrease of just over £10k on the 2015-16 contribution including one off payment of £12,580 from the LBGC (**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.

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 £10.486m in 2015-16. Total borough contributions will be unchanged at £9m in 2016-17. Borough contributions towards administrative costs will be £0.4m in 2016-17, unchanged from 2015-16. The remainder will be financed by European Social Fund grants (£1m) and a one off contribution from Grants Committee reserves (£486k).

3.4. The Islington contribution to the scheme is expected to decrease from just under £231k in 2015-16 to just over £220k in 2016-17.

3.5. The Grants Committee has recently consulted on the future of the London Boroughs Grants Scheme once current commissions end in March 2017. Decisions on the principles and priorities of the scheme from 2017 will be taken by London Councils Leaders Committee in December 2015; it is likely that the scheme will be largely unchanged with some modifications to ensure affordability and value for money.

4. Implications

Financial Implications

4.1. The 2016-17 levy is within budget expectations.

4.2. The budget is subject to the agreement of London Councils Leaders Committee on 8th December 2015 and the agreement of two-thirds of London boroughs by the end of January 2016.

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 2016.

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 and Resources

Date

Received by

Head of Democratic Services

Date

Responsible Officer: Mike Curtis, Corporate Director of Finance

Report author: Mark Badcock, Financial Advisor, Financial Planning

E-mail: mark.badcock@islington.gov.uk