

Committee: Cabinet

Date: 19 January 2015

Wards: All

Subject: London Councils Grants Scheme
Subscription for 2015/16

Lead officer: Paul Dale, AD Resources

Lead member: Councillor Edith Macauley, Cabinet Member for Community
Safety, Engagement and Equalities

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Recommendations:

- A. That Cabinet approves the council's contribution to the London Councils Grants Scheme 2015/16 as per the subscription set by London Councils Leaders' Committee on 9 December 2014;
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The London Councils Leaders' Committee has set a revised budget for the London Councils Grants Scheme (LCGS) for 2015/16. The LCGS is governed by statute which requires the budget to be approved by two thirds of London boroughs by 31 January 2015.
- 1.2 This report seeks Cabinet's approval for Merton's contribution to the LCGS for 2015/16, which the London Councils Leaders' Committee has determined should be £217,275. This can be met within existing resources.

2 DETAILS

- 2.1 The LCGS funds a range of services across London with financial contributions from all London boroughs. The budget for the grants scheme is determined by the London Councils Leaders' Committee and boroughs are asked to confirm their contributions each year.
- 2.2 In 2014/15 Merton's contribution was made up of a base subscription level of £219,054 offset by a one-off injection of funds from London Councils' grants reserves of £19,471. This meant that the cost to Merton was £199,582. It was noted at the time that it was anticipated that the contribution would revert to the base subscription level in 2015/16.
- 2.3 For 2015/16 the London Councils Leaders' Committee has determined that Merton's contribution should be £217,275. This represents a reduction in Merton's base subscription level of £1,779, however as additional funding has not been applied by London Councils it will mean that Merton's contribution will increase by £17,693 in 2015/16, compared with 2014/15.

- 2.4 Although Merton will contribute a higher sum to the LCGS in 2015/16 than it did in 2014/15 officers had anticipated that London Councils would not call on reserves in 2015/16 and maintained the base budget for this subscription. With this in mind, the £217,275 subscription for 2015/16 can be met within existing resources, and Cabinet is therefore recommended to approve Merton's contribution in line with the decision of the London Councils Leaders' Committee.

3 ALTERNATIVE OPTIONS

- 3.1 Merton could decide not to approve the proposed contribution. However, if at least two thirds of London boroughs approve the budget it will apply to all councils.
- 3.2 If at least two thirds of constituent councils do not agree the revised budget within the timescales, then the subscription levied for 2014/15 (£219,054) will apply in 2015/16.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1 The London Councils Leaders' Committee approved the overall revenue budget for London Councils for 2015/16 and the level of borough subscriptions and charges for the year on 9 December 2014, including those relating to the LCGS.
- 4.2 A circular setting out individual borough subscriptions and charges to be levied in 2015/16 was sent to Chief Executives on 12 December 2014, and is attached to this report as Appendix I.

5 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1. The subscription for 2015/16 can be met within existing resources.

6 LEGAL AND STATUTORY IMPLICATIONS

- 6.1 The LCGS is governed by statute which requires at least two thirds of London boroughs to approve the budget in order for the budget to apply to all councils. If at least two thirds of constituent councils do not agree the revised budget within the timescales, then the subscription levied for 2014/15 £219,054 will apply for 2015/16.
- 6.1. The LCGS can only be revoked if a majority of the member councils so decide. In such circumstances the revocation would take effect from the end of any financial year after that in which the decision to revoke is made. The Council cannot, therefore, unilaterally withdraw from the scheme and is bound to make a contribution to the scheme in 2015/16.

7 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 7.1. None for the purposes of this report.

8 CRIME AND DISORDER IMPLICATIONS

- 8.1. None for the purposes of this report.

9 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

9.1. None for the purposes of this report.

10 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- Appendix I: London Councils Grants Budget – Borough Contributions 2015-16

11 BACKGROUND PAPERS

11.1. None.

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