

Committee: Cabinet

Date: 20 January 2014

Agenda item: XX

Wards: All

Subject: London Councils Grants Scheme
Subscription for 2014/15

Lead officer: Kate Herbert, Head of Policy, Strategy and Partnerships

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

Contact officer: Joseph Dance, Policy, Strategy and Partnerships Officer (020 8545 4161/ joseph.dance@merton.gov.uk)

Recommendations

- A. That Cabinet approves the council's contribution to the London Councils Grants Scheme 2014/15 as per the subscription set by London Councils Leaders' Committee on 12 November 2013;
 - B. That Cabinet agrees to allocate the balance in the 2014/15 subscriptions budget to the Merton Partnership Voluntary Sector Grant Scheme.
-

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 2014/15. The LCGS is governed by statute which requires the budget to be approved by two thirds of London boroughs by 31 January 2014.
- 1.2 This report seeks Cabinet's approval for Merton's contribution to the LCGS for 2014/15. The London Councils Leaders' Committee has determined Merton's contribution to the LCGS for 2014/15 will be £199,582. This represents a net reduction of £20,368 on Merton's 2013/14 subscription.
- 1.3 The reduction in the Borough's subscription is composed of a base reduction of £897 and a one-off injection of funds from London Councils' grants reserves in 2014/15 of £19,471.
- 1.4 It is proposed that the resulting balance in the Council's 2014/15 subscription budget be allocated to the Merton Partnership Voluntary Sector Grant Scheme, which is managed by Merton Voluntary Sector Council (MVSC), to ensure that the funds are invested in Merton's voluntary and community sector.

2. DETAILS

- 2.1 The LCGS funds a range of services across London with financial contributions from all London boroughs.

- 2.2 The budget for the grants scheme is determined by the London Councils Leaders' Committee and boroughs are asked to confirm their contributions each year. The London Councils Leaders' Committee has determined that Merton's contribution for 2014/15 will be £199,582, taking into account a base reduction of £897 and a one-off injection of funds from London Councils' grants reserves of £19,471. This compares with a subscription of £219,951 for 2013/14, representing a net reduction of £20,368 in the council's annual subscription to the scheme for 2014/15.
- 2.3 The subscription for 2014/15 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.
- 2.4 It is proposed that the resulting balance in the Council's 2014/15 subscription budget be allocated to the Merton Partnership Voluntary Sector Grant Scheme, which is managed by Merton Voluntary Sector Council (MVSC), to ensure that the funds are invested in Merton's voluntary and community sector. This proposal is in line with full Council's stated wish in previous years to see so-called 'repatriated' funding from the London Councils Grant Scheme used to support development of community, voluntary and faith organisations across the borough. It should be noted however that this funding will revert to the base budget for 2015/16 to ensure that sufficient funds will be available should London Councils not be in a position to repeat the injection of funds from their grants reserves.

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. If at least two thirds of constituent councils do not agree the revised budget within the timescales, then the subscription levied for 2013/14 (£219,951) will apply for 2014/15.

4. CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1 The London Councils Leaders' Committee approved the overall revenue budget for London Councils for 2014/15 and the level of borough subscriptions and charges for the year on 12 November 2013, including those relating to the LCGS.
- 4.2 A circular setting out individual borough subscriptions and charges to be levied in 2014/15 was sent to Chief Executives on 21 November 2013, and is attached to this report as Appendix I.

5. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.1 The subscription for 2014/15 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 2013/14 (£219,951) will apply for 2014/15.

6.2 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 2014/15.

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

10.1 Appendix I: London Councils Grants Budget – Borough Contributions 2014-15

11. BACKGROUND PAPERS

11.1 None

This page is intentionally left blank