

## Report – Policy and Resources Committee

### Grant Giving: update on the review of Grant Giving Activity across the Corporation's Committees

*To be presented on Thursday, 14<sup>th</sup> January 2016*

*To the Right Honourable The Lord Mayor, Aldermen and Commons  
of the City of London in Common Council assembled.*

#### SUMMARY

As part of the Service Based Review (SBR), a review of the grant giving activities of the City of London Corporation under City Fund and City's Cash was commissioned. This review excluded the activities of the City Bridge Trust. The objective was to analyse the grants programmes offered by the Corporation to make a more consistent approach to grant giving, improve value for money and increase impact.

The review was conducted by officers and proposals were presented to your Policy and Resources Committee in May 2015, which agreed to the overall approach. The report provides information of the review of the proposals by each of the relevant Service Committees. The broad outcome of this is that a new process for the making of grants will come into effect, which is:

- Resource Allocation Sub (Policy and Resources) Committee identifies various priorities for grant giving activities for the coming year.
- The relevant Service Committee considers the applications related to priorities within their area of responsibilities.
- The Finance Grants (Sub) Committee provides monitoring of the grants which have been awarded, and reports annually to Resource Allocation Sub (Policy and Resources) Committee on the effectiveness of the scheme.

The changes to the process for the awarding of grants will require the amendment to the terms of reference of various Committees. Proposed amendments to the Terms of Reference are set out within the report, and will be submitted to the Court for approval within the White Paper in April 2016.

It is **recommended** that the Court receives this report for information.

#### MAIN REPORT

##### Background

1. A cross-cutting review of the grant giving activities of the City of London Corporation was commissioned as part of the Service Based Review programme. The objectives were to analyse the grants programmes which are offered by the City of London Corporation and suggest how to improve value for

money and increase impact. This review excluded the activities of the City Bridge Trust.

2. Currently the Finance Grants Sub (Finance) Committee has responsibility to for making grants from the various funds within its control. However, many other Committees make payments to other organisations in formats which, in some cases, may be considered to be grants. The review concluded that there was not consistent approach across the City of London Corporation to governing or managing disbursements, potentially exposing the City of London Corporation to financial, organisational and reputational risk.
3. The review report identified seven core principles, which would form the basis for a more consistent, coherent and co-ordinated approach to grant giving across the City of London Corporation:
  - Set out a clear corporate offer;
  - allocate resources strategically;
  - Streamline governance;
  - Establish a common identity and branding for City of London Corporation grants;
  - Provide a dependable City of London Corporation customer experience;
  - Review all City of London Corporation grants in a consistent and proportionate way; and
  - Manage City of London Corporation grants more efficiently and effectively.
4. The report considered by your Policy and Resources Committee in May 2015 is attached at available online at:  
<http://democracy.cityoflondon.gov.uk/documents/s51270/Review%20of%20Grants.pdf>

#### **Consultation with Service Committees**

5. Due to the cross-cutting nature of the review, the report was considered by various Committees and Boards, each considering responsibilities for grant-giving activities within their bailiwick. The following section of the report sets out the proposals which were brought to each Committee and the outcome from these Committees.

#### **Strategic oversight of grant giving activities**

##### **Role of Resource Allocation Sub (Policy and Resources) Committee**

- To set the annual quantum for each City's Cash and City Fund grants programme (including City's Cash funded open spaces grants)
- To set distinct themes for grant giving which reflect the City Corporation's priorities, on an annual basis.
- To consider annual performance reports for all grants programmes from the Finance Grants (Finance) Sub-Committee

6. These proposals regarding the role of the Resource Allocation Sub (Policy and Resources) Committee were considered and agreed by both that Sub-Committee and the Policy and Resources Committee on 28 May 2015.

#### Finance Grants Sub (Finance) Committee

- To adopt a strategic oversight/ performance management role in respect of all City of London Corporation grants programmes and relinquish its direct grant giving role.
7. The basis upon which Finance Grants Sub-Committee was asked to relinquish its direct grant giving role was that, given that the Resource Allocation Sub-Committee would agree the priorities for grant-giving in any given year, the relevant Service Committee responsible for delivering that priority would be best positioned to make determinations on how any grant applications would help to deliver the priority.
  8. The Finance Committee approved the proposal regarding the role of the Finance Grants Sub (Finance) Committee at its meeting on 9 June 2015. Revised Terms of Reference for the Sub-Committee will be brought before the Finance Committee early in 2016.

#### **Committees gaining grant giving authority**

9. As stated at paragraph 7 above, the Finance Committee agreed that the relevant Service Committees would be best placed to consider whether grant applications were likely to deliver on the approved priorities. Therefore, after the approval of the Finance Committee to remove the grant-giving aspect of the Finance Grants Sub-Committee, the following Committees were asked to consider whether they would wish to be assigned additional powers to make grants, in line with the priorities and resources which will be agreed by the Resource Allocation Sub-Committee.

#### Establishment Committee

- To take over responsibility for prioritising the (City's Cash) funds to support welfare initiatives (e.g. staff annual lunch and Guildhall Sports Club).
10. The Establishment Committee approved this proposal at its meeting on 11 June 2015.

#### Culture, Heritage and Libraries Committee

- To take responsibility for the governance of a formal grants programme encompassing the range of cultural / arts awards currently made by other committees.
11. The Culture, Heritage and Libraries Committee approved this proposal at their meeting on 13 July 2015.

#### Community and Children's Services Committee

- To take responsibility for the governance of the Combined Relief of Poverty charity and of the various 'poverty relief' charities proposed for merger.

12. The Community and Children's Services Committee approved this proposal at their meeting on 10 July 2015.

Community and Children's Services Committee

Education Board

- to review with the most appropriate governance arrangements for the Combined Education Charity and City Educational Trust Fund (proposed for transfer from Finance Grants Sub Committee) in relation to the role of both Committees.
13. The Community and Children's Services Committee and the Education Board considered this proposal at their meetings on 10 July 2015 and 25 June 2015 respectively. Both Committees agreed to conduct a joint review of the most appropriate means of joint governance, with the Education Board, of the Combined Education Charity and City Educational Trust Fund. This review is currently ongoing.

Open Spaces and City Gardens Committee

Epping Forest and Commons Committee

Hampstead Heath, Highgate Wood and Queen's Park Committee

West Ham Park Committee

- to adopt a more structured approach to grant giving which is jointly governed by all Open Spaces committees and which is publicised and managed as part of the City Corporation's suite of grants programmes.
14. This proposal was considered by the Open Spaces and City Gardens Committee on 8 June 2015, Epping Forest and Commons Committee on 6 July 2015, Hampstead Heath, Highgate Wood and Queen's Park Committee on 20 July 2015 and West Ham Park Committee on 27 July 2015. The Committees agreed that it would be beneficial to create an Open Spaces Grants Review Working Party.
15. This Working Party met on 16 September 2015 and 25 November 2015. The Working Party agreed to recommend that the most appropriate way to deal with open spaces grants in the future will be for the Epping Forest and Commons Committee, the Hampstead Heath, Highgate Wood and Queen's Park Committee, or the West Ham Park Committee (along with any relevant consultative committees) to consider any grant request made relating to their area of responsibility and make a recommendation to the Open Spaces and City Gardens Committee. The Open Spaces and City Gardens Committee will then consider the recommendation from the relevant Committee and determine whether to make the grant.
16. This proposal is being put to these four Grand Committees in late January and early February 2016.

**Committees relinquishing authority for grant giving**

17. In order to facilitate this more strategic allocation of grant funding in line with the annual priorities, to be agreed by Resource Allocation Sub-Committee, a

number of Committees were asked to relinquish their responsibility for making grants from various charitable funds.

#### Port Health and Environmental Services Committee

18. It was proposed that the Signor Pasquale Favale Marriage Bequest be assimilated into the single poverty relief charity. The Port Health and Environmental Services Committee considered this proposal at their meeting on 7 July 2015, with specific reference to the proposal to include the Signor Pasquale Favale Marriage Bequest within this new charity. The Committee resolved that the Bequest not be assimilated into this charity, due to the historical importance of the bequest and the positive publicity the bequest brings to the Corporation. The Committee felt that this would be lost if the Bequest became a small part of a larger charity.

#### General Purposes Committee of Aldermen

19. The General Purposes Committee of Aldermen considered this proposal at their meeting on 8 July 2015. The Committee agreed that the consolidation of the Emanuel Hospital and Mansion House Staff Fund into the single poverty relief charity be progressed. The Committee agreed that a merger of the Sir William Coxen Trust Fund with a similar orthopaedic charity should be explored in order to streamline grant giving in this area. A further report will be submitted to the Committee to provide it with information of the proposals for these charitable funds once all remaining issues have been resolved.

#### Education Board

20. During consideration of the proposals, the Board noted that City Corporation funding for King Edward's School Witley and Christ's Hospital was allocated by the Finance Grants Sub Committee (City's Cash). The Board requested that Policy and Resources Committee clarify whether funding for King Edward's School Witley and Christ's Hospital would be provided from before funds were fully allocated to any other proposed future grants programmes for current Finance Grants Sub Committee funds without provision for these grants. A resolution from Education Board is due to be considered by the Policy and Resources Committee in January 2015.

#### **Amendments required to Terms of References**

21. As a result of these changes agreed by the various Services Committees, changes will be required to the Terms of Reference of various Committees. These changes are currently going through the process of being formalised by the Service Committees via the annual review of Terms of Reference. These changes will be brought before the Court for approval in the White Paper in April 2016.

#### **Conclusion**

22. The review of the Corporation's grant giving activities has been considered by each of the Committees whose role will be affected by the proposed updates to the grant giving activities. It is expected that these updates will allow there to be a more strategic and consistent approach to grant giving across the Corporation, ensuring that grants are targeted towards strategic objectives and awarded by the Service Committee responsible for delivering in these areas.

This will ensure that the grant giving activities provide greater impact and value for money.

All of which we submit to the judgement of this Honourable Court.

DATED this 19<sup>th</sup> day of November 2015.

SIGNED on behalf of the Committee.

**Mark Boleat**  
Chairman, Policy and Resources Committee