

## Report – Policy and Resources Committee

### Report of Urgent Action Taken: London Councils Grants Scheme 2021/22 Levy

*To be presented on Thursday, 4<sup>th</sup> March 2021*

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

#### **SUMMARY**

The City of London Corporation is responsible for issuing the annual levies for subscriptions to all the constituent councils of the London Councils Grants Scheme (LCGS). The Court of Common Council can only consider the levies for the ensuing year if at least two-thirds of the constituent councils (i.e. 22 out of 33 of the London local authorities) have approved the total expenditure to be incurred under the Grants Scheme. If the requisite approvals are not received by 1 February, under the Grants to Voluntary Organisations (Specified Date) Order 1992 made under the LGA 1985, the total expenditure will be deemed to be the same as that approved in the previous year.

Having received confirmation from London Councils that the budget had not been agreed by two thirds of the Constituent Councils, the total expenditure was deemed to be the same as that approved for the 2020/21 year. As the total expenditure approved in the previous year (£6.668m) was the same level as that recommended for this year (£6.668m), the decision could be progressed without amendment. The approval of the Court was then sought under the urgency procedures to issue the levies before the statutory deadline of 15 February 2021.

We therefore report that, on 4 February 2021, approval was given in accordance with Standing Order No. 19 to issue the levies as set out in the appendix to this report.

#### **MAIN REPORT**

1. The budget for the London Councils Grants Scheme and the City of London Corporation's contribution to the Scheme is considered on an annual basis by your Policy and Resources Committee. At its meeting on 21 January 2021 the Committee considered and approved the total amount of expenditure to be incurred in 2021/22 (£6.668m, to come from the constituent councils of the Scheme) as well as the City Corporation's subscription to it (£7,233).
2. The City Corporation is also responsible for issuing levies for subscriptions to all the constituent councils of the Scheme. This element of the Grants Scheme can only be approved by the Court of Common Council. The London Councils' Grants Scheme operates under section 48 of the Local Government Act 1985 which requires at least two-thirds of the constituent councils (i.e. 22 out of 33 of

the London local authorities) to have approved the total expenditure to be incurred for the ensuing year. Constituent councils have until 1 February to do this and a decision to issue the levies cannot be taken until such time as this has happened. The Court is therefore required to make its decision as levying body between 1 and 15 February each year as, in accordance with regulations, levies have to be issued before 15 February 2021.

3. London Councils confirmed that less than two-thirds of constituent councils had agreed the expenditure to be incurred for 2021/22, with nineteen councils agreeing the expenditure. Of the remaining fourteen councils, fourteen did not confirm approval by the 1 February deadline, with no councils rejecting the expenditure.
4. Consequently, the total expenditure was deemed to be that approved for the 2020/21 year. The total expenditure approved for the 2020/21 year was £6.668m, the same level as that recommended for this year (£6.668m). Therefore, the total budget remained the same, and the issuing of levies could proceed without amendment to the recommended amounts, pending the approval of the Court of Common Council.
5. Approval to issue the levies before the statutory deadline was sought under urgency procedures pursuant to Standing Order No.19 (as the Court of Common Council was not due to meet ahead of 15 February).
6. Approval was subsequently given to a levy of £6.668m being applied to constituent councils for 2021/22, as set out in the appendix to this report.

#### **APPENDIX – Borough Subscriptions for 2021/22.**

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

DATED this 4<sup>th</sup> day of February 2021.

SIGNED on behalf of the Committee.

**Deputy Catherine McGuinness**  
Chair, Policy and Resources Committee