

Report – Policy & Resources Committee

Report of Urgent Action Taken: London Councils Grant Scheme 2025/26 Levy

To be presented on 6th March 2025

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

SUMMARY

The City of London Corporation is responsible for issuing the annual levies for subscriptions to all the constituent councils of the London Councils Grant Scheme. 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 Local Government Act 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 been agreed by two thirds of the Constituent Councils, the approval of Court was then sought under the urgency procedures to issue the levies before the statutory deadline of 15 February 2025.

We therefore report that, on 12 February 2025, approval was given between meetings, in accordance with Standing Order 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 16 January 2025, the Committee considered and approved the overall level of expenditure to be incurred in 2025/26 (£6.711m with the proposed expenditure being made up of £6.711m in contributions from London local authorities (the amount to be levied)), as well as the City Corporation's subscription to it (£10,100).
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 2025.

3. Following receipt of confirmation from London Councils that over two-thirds of constituent councils had agreed the expenditure to be incurred for 2025/26 ahead of the 1 February deadline, approval to issue the levies before the statutory 15 February 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).
4. Approval was subsequently given to a levy of £6.711m being applied to constituent councils for 2025/26, as set out in the appendix to this report.

RECOMMENDATION

We **recommend** that the action taken be noted.

APPENDIX – Borough Subscriptions 2025/26

DATED this 12th day of February 2025.

SIGNED on behalf of the Committee.

Deputy Christopher Hayward
Chairman, Policy & Resources Committee