

Committee	Dated:
Policy and Resources Committee	19 th January 2017
Subject Review and Reclassification of Former Finance Grants Sub-Committee Grants	Public
Report of: Town Clerk	For Decision
Report author: Scott Nixon, Project Manager	

Summary

In March 2016, the Policy and Resources Committee agreed that all on-going funding commitments formerly managed through the Finance Grants Sub-Committee (FGSC) would be transferred to the most appropriate Committee for on-going administration.

For all grants that had no set review date, it was requested that the funding commitment be reviewed and reported back to this Committee for approval via its managing Committee, or Chief Officer where appropriate. Each funding allocation has now been reviewed. This report provides a summary of the recommendations from the various Committees and Chief Officers for this Committee to approve (see Paragraph 13). It also seeks to regularise future reviews and recommends that it would be more appropriate for these funding allocations to be reclassified as 'payments', as opposed to 'grants' as per the definition provided in the SBR Effectiveness of Grants report (See paragraph 14). This would mean that moving forward these funding allocations would be incorporated into departmental budgets and reviewed by the relevant managing Committee in the usual way.

Recommendations:

- To agree the recommendations of the service committees/Chief Officers in respect of the on-going payments (See Paragraph 13).
- To agree that future reviews are undertaken regularly and submitted to the responsible Committee.
- To agree that each payment shown is incorporated into the responsible department's budget rather than be treated as a grant.

Main Report

Background

1. In May 2015, this Committee endorsed a revised overall approach to grant-giving across the City Corporation. That report highlighted a set of core principles designed to drive a more consistent, coherent and co-ordinated approach to grant-making.

2. It was agreed that the Finance Grants Subcommittee (FGSC) would cease its grant-making and that the most appropriate Committee would take responsibility for decisions on grants relating to areas within their remit, supported by a new Central Grants Unit (CGU). The CGU is located within the City Bridge Trust team to ensure grant-making good practice is followed and that there is consistency of approach. The CGU is funded through the charging of a management fee to each grant giving committee. The CGU is responsible for allocating new grants in line with a process agreed by the respective grant-giving Committee. The Finance Grants Oversight and Performance Sub-Committee (FGOPS) was established to maintain an overview of all grants issued on an on-going basis (other than City Bridge Trust which has a dedicated Committee).
3. The Policy and Resources Committee agreed that all payments previously agreed through Finance Grants Sub-Committee with no set review date should be reviewed by its managing Committee and the outcomes reported back.
4. The Effectiveness of Grants Review classified payments as “grants” only if they were ‘awarded to an external organisation or individual from CoLC’s City Fund, City’s Cash or CoLC-controlled or CoLC-administered Charities to undertake an activity or produce an outcome which CoLC is not required to do under statutory obligation and has been awarded as a result of an openly publicised and transparent process of prioritisation against clearly pre-defined objectives’. The payments highlighted within this report are therefore not classified as grants under this definition.

Summary of Payment Review Recommendations

5. The paragraphs below set out the payment review recommendations of the relevant Committees/Chief Officers and they are summarised in Table 1 (at Paragraph 13).
6. In January 2017, a report was submitted to the Establishment Committee on the City of London Corporation Staff Sports and Activities Club (COLSSAC). Members agreed to continue to provide funding to COLSSAC, at a reduced rate of £11,225 per year, for the next three years (2017-2019) and that the next review of the funding take place between years two and three.
7. In October 2015, a report was submitted to Establishment Committee on the City of London Pensioners’ Annual Lunch. Members agreed to adopt the model proposed by the Pensioners’ Lunch Organisation Committee, reducing the total net grant to £27k per annum, with an increase in the price for attending the lunch from £5 to £10. In this same report to Establishment Committee it was agreed that if there were to be further increases to the ticket price for the Pensioners’ Association Lunch, it would also be appropriate to increase the ticket price of the Staff Annual Lunch, which was £11 at that time (and which has since been increased to £15). The total contribution to the Staff Annual lunch was agreed at £53,400 per annum.
8. In October 2016, a report was submitted to the Establishment Committee on the City of London Marathon Team. The Committee agreed to continue to provide

the current level of funding (£3,500) to the Marathon Team for three years and for a review to take place between years two and three.

9. In November 2016, a report was submitted to the Port Health and Environmental Services Committee on the Thames Fishery research event, which is delivered annually by the Department of Markets and Consumer Protection team. Members agreed that the payment from City's Cash of £5,332 to partially fund the 2017 event be approved.
10. In December 2016, the Acting Director of Community and Children's Services agreed that two payments that were no longer required would be ceased: an annual allocation of £2,000 which had not been used since 2003 and which was used by the former Department of Social Services to provide clients with small social needs payments (kitchen equipment, transport costs, furniture etc.); and an annual payment of £2,200 used to support resident-led activities on City of London Corporation housing estates which had not been utilised since 2010.
11. In December 2016, the Acting Director of Community and Children's Services agreed that an annual payment of £5,000 to fund the cost of services provided by central CoLC departments to the City of London Almshouses Trust should be continued. This provision, which stood at £46k for several years, has also been used in the past to fund deficits incurred by the Trust. However, because the Trust has generally achieved modest surpluses in recent years, the provision was reduced to £5k by the Finance Grants Sub-Committee in 2010/2011 to cover services provided by central departments only.
12. The Acting Director of Community and Children's Services has asked for this report to note that the City of London Almshouses Trust may incur a deficit in the future and should that situation arise, he would raise this as a separate issue with the Chamberlain.
13. Details of the previously agreed payments (as reported to the Policy and Resources Committee in March 2016) and the amounts to be approved by this Committee are summarised in Table 1 below:

Table 1

Activity and Committee/Chief Officer Responsible for Review	Annual amount previously approved (as per the report to Policy and Resources Committee March 2016)	Revised amount agreed by Committee or Chief officer
City of London Corporation Staff Sports and Activities Club (Establishment Committee)	£16,875	£11,225
Annual Londoners Pensioners Association Lunch	£27,000	£27,000

Activity and Committee/Chief Officer Responsible for Review	Annual amount previously approved (as per the report to Policy and Resources Committee March 2016)	Revised amount agreed by Committee or Chief officer
(Establishment Committee)		
Staff Annual Lunch	£53,400	£53,400
(Establishment Committee)		
Marathon Team	£3,500	£3,500
(Establishment Committee)		
Thames Fishery research event	£5,332	£5,332
(Port Health and Environmental Services Committee)		
Social Needs Payments	£2,000	£0.00
(The Acting Director of Community and Children's Services)		
Housing Payments	£2,200	£0.00
(The Acting Director of Community and Children's Services)		
Almshouses	£5,000	£5,000
(The Acting Director of Community and Children's Services)		
TOTAL	£115,307	£105,457

14. The Grants Review was the catalyst for the above payments to be reviewed, but the payments all fall outside of the definition of grant provided in that review, namely: payments '*awarded to an external organisation or individual from CoLC's City Fund, City's Cash or CoLC-controlled or CoLC-administered Charities to undertake an activity or produce an outcome which CoLC is not required to do under statutory obligation and has been awarded as a result of an openly publicised and transparent process of prioritisation against clearly pre-defined objectives*'. It is therefore recommended that the payments are treated as part of the responsible department's budget rather than grants.

Background Papers:

- Port Health and Environmental Services Committee, 24 November 2016, '44th City of London Thames Fishery Research Experiment 2016'.
- Establishment Committee, 25th October 2016 'City of London Corporation Marathon Team'.
- Establishment Committee, 17th January 2016, 'City of London Corporation Staff and Sports and Activities Club'.
- Establishment Committee, 28th October 2015, 'Future Funding of the Pensioners' Annual Lunch'.

Scott Nixon

Project Manager, Town Clerk's Department

T: 020 7332 3722

E: Scott.Nixon@cityoflondon.gov.uk