

# London Grants Scheme

**1 February 2004**

**DATED 1 February 2004**

**[LONDON COUNCILS]<sup>1</sup>**

**VARIATION TO AGREEMENT DATED 13 DECEMBER, 2001  
TO EFFECT A NEW SCHEME FOR GRANTS TO VOLUNTARY  
ORGANISATIONS**

**Ref: PR6602/54 /LJ**

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<sup>1</sup> This joint committee approved the change of name from ALG to London Councils on 12 September 2006

THIS AGREEMENT is made on 1 February, 2004

BETWEEN the Councils listed in Schedule 1 (“the London Local Authorities”) in pursuance of arrangements made under section 48 Local Government Act 1985

WHEREAS:

- (A) The London Local Authorities are the constituent councils for the purposes of section 48 Local Government Act 1985 (Grants to Voluntary Organisations).
- (B) On 17<sup>th</sup> October, 1985, a Scheme for the making of grants to voluntary organisations was made by the constituent councils in accordance with the requirements of section 48 Local Government Act 1985 and the London Borough of Richmond upon Thames consented to act as designated council for the purposes of the Scheme.
- (C) By an agreement dated 1<sup>st</sup> April, 2000 (“the First Agreement”) the London Local Authorities established a joint committee under sections 101 and 102 Local Government Act 1972, resolved to delegate various functions to the joint committee and agreed to name the joint committee the Association of London Government (“ALG”)<sup>2</sup>.
- (D) The First Agreement made amendments to the Scheme referred to in Recital (B) above and the amendments to the Scheme were set out in Schedule 4 of the First Agreement.
- (E) An agreement dated 13<sup>th</sup> December, 2001 (“the Second Agreement”) confirmed the arrangements established by the First Agreement in accordance with the requirements of Part II Local Government Act 2000 (Arrangements with regard to Executives etc.) and continued the previous arrangements in respect of the Scheme, which was set out in full as Schedule 5 to the Second Agreement.
- (F) The London Borough of Richmond upon Thames has given notice in accordance with section 48(9) Local Government Act 1985 withdrawing its consent to act as designated council with effect from 31<sup>st</sup> March, 2004.
- (G) It is expedient that a new Scheme for the making of grants to voluntary organisations is made by the constituent councils and the Common Council of the City of London has agreed to act as designated council with effect from 1<sup>st</sup> April, 2004.

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IT IS HEREBY AGREED AS FOLLOWS:

1. This Third Agreement shall establish a new Scheme for the making of grants to voluntary organisations in Greater London (“the [London Councils]<sup>3</sup> Grants Scheme”) and the [London Councils]<sup>4</sup> Grants Scheme which is set out in Schedule 2 hereto shall be substituted for the Scheme set out in Schedule 5 of the Second Agreement with effect from 1<sup>st</sup> April, 2004.
2. The Second Agreement is hereby varied as follows:
  - 2.1 The following is substituted for Clause 1.5: “The London Local Authorities are the constituent council for the purposes of section 48(1)(a) Local Government Act 1985 and by an agreement dated 1 February 2004 (“the Third Agreement”) have agreed to establish a new Scheme for the making of grants to voluntary organisations in Greater London in accordance with the provisions of the Third Agreement.”
  - 2.2 In Clause 1.6, “and the [London Councils]<sup>5</sup> Grants Scheme is set out in Schedule 2 of the Third Agreement” is substituted for “and the London Boroughs Grants Scheme as amended is set out in full in Schedule 5 hereto”.
  - 2.3 In Clause 4.8, “the [London Councils]<sup>6</sup> Grants Scheme as set out in Schedule 2 of the Third Agreement” shall be substituted for “the London Boroughs Grants Scheme as set out in Schedule 5”.
  - 2.4 The following shall be substituted for Clause 6.10: “The Common Council of the City of London shall discharge the designated council function in accordance with section 42(2)(a) Local Government Act 1985 and the [London Councils]<sup>7</sup> Grants Scheme as set out in Schedule 2 of the Third Agreement.”
  - 2.5 “[London Councils]<sup>8</sup> Grants Scheme” shall be substituted for “London Boroughs Grants Scheme” in Clauses 7.1, 11.1 and 11.2. and for “London Boroughs Grants” or “LBG” wherever they appear in Schedules 7 and 8.
  - 2.6 In relation to the definition “associated committees of the [London Councils]<sup>9</sup>” in clause 3.1 the words “as amended and set out in full at Schedule 5” shall be substituted with the words “as set out in full at Schedule 2 of the Third Agreement”.
  - 2.7 In Clause 7.3 the words “subject to schedule 5” shall be substituted with the words “subject to Schedule 2 of the Third Agreement”

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3. The terms and conditions of the Second Agreement shall remain in force and be binding on all the London Local Authorities except the terms and conditions expressly varied by this Third Agreement.
4. This Agreement is executed by each Party by signing the annexed Memorandum of Participation on behalf of that Party and such Memorandum of Participation shall be evidence of execution by that Party when Memoranda executed by a majority of the Parties are incorporated into this Agreement.

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## **SCHEDULE 1**

The City of Westminster  
The London Borough of Barking and Dagenham  
The London Borough of Barnet  
The London Borough of Bexley  
The London Borough of Brent  
The London Borough of Bromley  
The London Borough of Camden  
The London Borough of Croydon  
The London Borough of Ealing  
The London Borough of Enfield  
The London Borough of Greenwich  
The London Borough of Hackney  
The London Borough of Hammersmith and Fulham  
The London Borough of Haringey  
The London Borough of Harrow  
The London Borough of Havering  
The London Borough of Hillingdon  
The London Borough of Hounslow  
The London Borough of Islington  
The Royal Borough of Kensington and Chelsea  
The Royal Borough of Kingston upon Thames  
The London Borough of Lambeth  
The London Borough of Lewisham  
The London Borough of Merton  
The London Borough of Newham  
The London Borough of Redbridge  
The London Borough of Richmond upon Thames  
The London Borough of Southwark  
The London Borough of Sutton  
The London Borough of Tower Hamlets  
The London Borough of Waltham Forest  
The London Borough of Wandsworth  
The Common Council of the City of London

## **SCHEDULE 2**

### **[LONDON COUNCILS]<sup>10</sup> GRANTS SCHEME**

**Made under section 48 of the Local Government Act 1985  
by the London Borough Councils and  
the Common Council of the City of London**

#### **INTRODUCTION**

- 1.1 This Scheme for the making of grants to eligible voluntary organisations in Greater London is made in accordance with section 48 of the Local Government Act 1985 (hereinafter referred to as the Act) to replace the Scheme which will terminate on 31<sup>st</sup>. March, 2004, when the withdrawal of the consent of the London Borough of Richmond upon Thames to act as designated council takes effect.
- 1.2 This Scheme is made by the London Borough Councils and the Common Council of the City of London (hereinafter referred to as the constituent councils).
- 1.3 This Scheme is effective commencing 1<sup>st</sup>. April, 2004.

#### **THE GRANTS COMMITTEE**

- 2.1 There shall be a [London Councils]<sup>11</sup> Grants Committee consisting of one elected member representative from each constituent council which shall make all decisions relating to the making of grants and the operation of the Scheme save those which are reserved to constituent councils under paragraph 8 below.
- 2.2 If the representative of a constituent council is unable to be present at a meeting of the Grants Committee, the council may be represented by a deputy who shall be an elected member of that council. A deputy attending a meeting of the Grants Committee shall declare themselves as such. Having done so the deputy shall be eligible to speak and vote as if they were a member of the Grants Committee.
- 2.3 The Grants Committee may establish such sub-committees and other groups of members as it considers appropriate.
- 2.4 The Grants Committee shall appoint a Chair, Vice-Chair and Deputy Chair, in accordance with the standing orders of the Grants Committee.

#### **ELIGIBLE VOLUNTARY ORGANISATIONS**

- 3.1 For the purposes of this scheme "voluntary organisation" means a body the activities of which are carried out on otherwise than for profit

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but does not include any public or local authority and "eligible voluntary organisation" means a voluntary organisation whose activities will directly or indirectly benefit the whole of Greater London or any part of it extending beyond the area of any particular constituent council.

- 3.2 The Grants Committee may define supplementary criteria of eligibility which shall be communicated to voluntary organisations applying for grants under the scheme.

## REVIEW OF NEEDS

- 4.1 [The constituent councils have resolved to delegate the function specified in section 48(10) Local Government Act 1985 (review of needs of Greater London) to London Councils Leaders' Committee from 1 April 2000. The Grants Committee shall ensure that appropriate proposals for periodically reviewing the needs of Greater London in the context of the Grants Scheme are submitted to Leaders Committee.]<sup>12</sup>

## THE DESIGNATED COUNCIL

- 5.1 The Common Council of the City of London ("the Corporation") shall be the designated council for the purposes of section 48(2)(a) Local Government Act 1985 (making of grants).

## [LONDON COUNCILS]<sup>13</sup> [GRANTS TEAM]<sup>14</sup>

- 6.1 The [Grants Team]<sup>15</sup> shall be responsible to the [London Councils]<sup>16</sup> Leaders' Committee and the [London Councils]<sup>17</sup> Grants Committee through its Director and staff for the efficient administration of the scheme and for advice on policies and priorities towards grant-giving within and between ~~services~~ being funded.

- 6.2 In particular the [Grants Team]<sup>18</sup> shall -
- (1) keep under review the needs of Greater London and report to the Grants Committee and [London Councils]<sup>19</sup> Leaders' Committee from time to time on a strategy for collective grant giving devised with due regard to those needs;
  - (2) draw up and submit for consideration and approval by the Grants Committee detailed criteria and policies for grant giving in the light of the agreed strategy;

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<sup>12</sup> Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

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<sup>15</sup> Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

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- (3) prepare and submit an annual budget for consideration by the Grants Committee and [London Councils]<sup>20</sup> Leaders' Committee by the end of November each year for the financial year commencing the following April. This budget shall include the costs of staffing, office and support services considered necessary to facilitate the effective and efficient operation of the Scheme, as well as expenditure proposals for grant aid to eligible voluntary organisations, and any contingency provision;
- (4) receive, assess and process grant applications from eligible voluntary organisations and report on them and make recommendations to the Grants Committee and or any Sub-committees it may establish;
- (5) administer the payment of approved grants to eligible voluntary organisations and monitor the use made of such funding;
- (6) convene and service meetings of the Grants Committee, its sub-committees and any other bodies established by it.

## MEETINGS

- 7.1 [Grants Committee shall hold a minimum of 2 meetings each year, one of which shall be an annual general meeting and on such other dates as may be decided by the Committee or its Chair or in accordance with the Standing Orders of the Committee.]<sup>21</sup>
- 7.2 A meeting may be requisitioned by not less than one third of the members of the [London Councils]<sup>22</sup> Grants Committee. Any such requisition shall be delivered to the [Corporate Director]<sup>23</sup>, not less than ten working days before the date of the meeting and shall specify the business to be transacted at the meeting. No business other than that set out in the summons shall be transacted at such a meeting.
- 7.3 The quorum of any meeting of the [London Councils]<sup>24</sup> Grants Committee or a Sub-Committee shall be one - third of the number of members entitled to be present. No business shall be transacted at any meeting unless a quorum is present.
- 7.4 [The Grants Committee AGM shall approve the strategy, priorities and any delegation to sub-committees and Officers. The Grants Committee shall also, at their AGM or any other meeting of the Committee, approve the strategy and priorities for recommendation to Leaders' Committee in line with the requirements of clause 4.1.]<sup>25</sup>
- 7.5 [The Grants Committee shall receive details of the budget for the following financial year and shall make recommendations as to the level of overall expenditure for the consideration and approval of

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<sup>23</sup> Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

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constituent councils as provided for under the Act. In order that the level of expenditure may be speedily determined, constituent councils shall respond to the recommendations of the Grants Committee by not later than the third Friday of the following January.]<sup>26</sup>

- 7.6 The [London Councils]<sup>27</sup> Grants Committee may make such other arrangements for the conduct of meetings as it considers appropriate.

## CONTRIBUTIONS TO EXPENDITURE

- 8.1 The constituent councils shall be required to contribute to any expenditure of the designated council which has been incurred with the approval of at least two-thirds of the constituent Councils; and the amounts of the contributions shall be determined so that the expenditure in respect of which they are payable is borne by the constituent councils in proportion to the populations of their respective areas.

- 8.2 For the purpose of approving expenditure under the Scheme, constituent councils' approval to overall expenditure for the year shall require the appropriate majority to agree<sup>28</sup> but decisions with regard to the allocation of expenditure within the overall expenditure approved shall be taken by the [London Councils]<sup>29</sup> Grants Committee in accordance with the Scheme and the detailed operational arrangements.

- 8.3 For the purposes of paragraph 8.1 above the population of any area shall be determined in accordance with Regulation 6(8) of the Levying Bodies (General) Regulations 1982 (or a re-enactment or modification of such Regulations<sup>30</sup>).

- 8.4 The total annual expenditure incurred under the scheme by the designated council shall not exceed such amount as is prescribed by an order made by the Secretary of State, if so prescribed.

- 8.5 The designated council (or [London Councils]<sup>31</sup> on behalf of the

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<sup>28</sup> The Grants to Voluntary Organisations (Specified Date) Order 1992 provides that if the total expenditure to be incurred in any financial year is not approved as required by the Scheme before 1<sup>st</sup> February in the year in which that financial year begins, the constituent councils shall be deemed, subject to any order which has been made under section 48(5) Local Government Act 1985, all to have given their approval for that financial year to total expenditure of an amount equal to the amount that was approved or, as the case may be, deemed to have been approved for the preceding financial year.

<sup>29</sup> This joint committee approved the change of name from ALG to London Councils on 12 September 2006

<sup>30</sup> Regulation 6(8) of the Levying Bodies (General) Regulations 1992 provides:

A levying body shall secure that the expenses to be met by levies issued by it under these Regulations by reference to the relevant precepting power conferred by section 48 or 88 of the Local Government Act 1985 are borne by the relevant authorities in a proportion calculated by reference to the total population of the area of each relevant authority on 30<sup>th</sup> June in the financial year beginning two years before the beginning of the financial year in respect of which the levy is issued, as estimated by the Registrar General.

<sup>31</sup> This joint committee approved the change of name from ALG to London Councils on 12 September 2006

designated council) shall invoice constituent councils one month in advance for their contributions to the approved budget for the Scheme in the following way:

- (1) in March and December of each year for half the costs incurred by the designated council in discharging the designated council function and a quarter of the expenditure proposed for grants to eligible voluntary organisations and any agreed contingency provision;
  - (2) in June and December of each year for a quarter of the expenditure proposed for grants to eligible voluntary organisations and any agreed contingency provision
- 8.6 Constituent councils shall pay their contributions to the Scheme not later than the 8<sup>th</sup> day of April, July, October and January of each financial year in order that payments of approved grants may be made to eligible voluntary organisations before the end of those months, generally in quarterly instalments.
- 8.7 [London Councils shall keep proper records on income and expenditure, and shall prepare for the AGM of the Grants Committee a statement of account for the financial year which ended on the previous 31 March. The statement shall be approved by London Councils Leaders' Committee and audited by independent auditors appointed by the London Councils.]<sup>32</sup>

## **OPERATIONAL MATTERS AND SUPPLEMENTARY PROVISIONS**

- 9.1 This Scheme shall be read in conjunction with the Eligibility Criteria approved by constituent councils and reported to the Grants Committee on 17 October, 1985, and the Decision-Making Procedures and Operational Arrangements in force from time to time. Any provisions of the Scheme which are supplementary to those prescribed by section 48 Local Government Act 1985 may be varied by a two-thirds majority of the constituent councils acting by [London Councils]<sup>33</sup> Leaders' Committee on a recommendation from the [London Councils]<sup>34</sup> Grants Committee.

## **PERIOD OF OPERATION OF THE SCHEME**

- 10.1 The scheme will continue in force for at least two financial years after that in which it is made, that is at least until 31<sup>st</sup> March 2006.
- 10.2 Subject to paragraph 10.1, the Scheme may be revoked by the constituent councils (or, in the absence of agreement between all of them, by a majority of those councils) with effect from the end of any

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financial year after that in which the decision to revoke is made.

- 10.3 The designated council may, by giving not less than twelve months' notice to the other constituent councils withdraw its consent to act as designated council with effect from the end of any financial year not earlier than the second financial year after that in which this Scheme was made; and in that event this Scheme shall terminate when the withdrawal takes effect.