

## Grants Committee

### Final Performance Report of the London Councils Item 4 Grants Programme 2013-17

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**Date:** 22 November 2017  
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#### **Summary**

This is London Councils' officers' final report on the performance of the Grants Programme covering the period 1 April 2013 to 30 September 2017. The report reviews the issues raised in the 2012 Grants Review and how these were addressed in the 2013-17 Grants Programme. The report considers the successes of the 2013-17 Programme and the lessons learned, as well as how the lessons learned have been addressed in the new 2017-21 Programme.

The Charity Commission has recently launched a consultation focusing on the annual submissions made by charities to the Commission. Officers have reflected on the lessons learned in the 2013-17 programme and have drafted a proposed response to the consultation. This has also been considered by the borough officer sub-group, which has fed in their views to the response. Members are asked to agree that London Councils submit the response included at Appendix One to the Charity Commission consultation.

#### **Recommendations** The Grants Committee is asked to:

1. Note the summary of final performance data provided in section five. The cumulative results across the four years were above target for all priorities. The number of interventions delivered over the four years is as follows:

**Priority 1 Homelessness** delivered 80,000 interventions. These include 11,929 people assisted to obtain suitable temporary or permanent accommodation and 1,567 people maintaining a tenancy for one year.

**Priority 2 Sexual and Domestic Violence** delivered 302,400 interventions. These include 6,784 children/young people knowing where to seek support and how to disclose and 30,524 people more able to make safe choices leading to a reduction in occurrence and/or effects of violence, sexual abuse and repeat victimisation.

**Priority 3 Poverty** delivered a total of 11,558 results including 1,457 people gaining employment, 710 people sustaining employment for a minimum of 26 weeks and 927 progressing into education or training. London Councils management of ESF funding achieved outcomes and value for money that far exceeded all other co-financing organisations in London. The programme supported residents furthest from the labour market (economically inactive) - 65 per cent compared to London average of 36 per cent - resulting in a higher rate of those who obtained and stayed in employment - 33 per cent compared to a London Average of 18 per cent. All outcomes were achieved at a lower unit cost - £4,450 compare to London average £5,340.

**Priority 4 Support to the Third Sector** delivered 14,069 interventions. These included 3,822 voluntary and community organisations (VCOs) in London with an increased ability of deliver efficient and effective services.

2. Note the assessment on the extent to which themes drawn out in the 2012 Grants Review were addressed in the 2013-17 Programme as outlined in sections two to four.
3. Note the lessons learned from the 2013-17 Grants Programme, particularly those identified through the Grants Review 2015-16 as outlined in section four.
4. Endorse the continued approach to addressing lessons learned as set out in section four (this is also outlined in the report on the 2017-21 Programme on this agenda).
5. Agree that officers submit the draft response to the Charity Commission consultation on charities annual submissions, included at Appendix One. The response is based on lessons learned from the 2013-17 Programme.

## **1 Introduction**

- 1.1 At its meeting on 20 February 2013 Grants Committee agreed funding to 25 commissions delivering against four priorities, at a level of £10 million per year (including £1 million ESF match funding) focused on tackling:
  1. Homelessness
  2. Sexual and Domestic Violence
  3. Poverty (through employment) – ESF match-funded
  4. And providing support to the third sector
- 1.2 Commissions were funded for two years (2013-15) with the potential to extend their commissions for a further two years (2015-17). This decision followed a comprehensive review of the London Councils Grants Programme which concluded in March 2012 and followed the reduction of the programme from its 2011-12 budget of £28m.
- 1.3 In addition, members of the Grants Committee also agreed a new monitoring framework, entitled Commissioning Monitoring Arrangements. This followed an internal audit in which a number of inadequacies were found in the monitoring framework, in particular around the monitoring of a particular commission.
- 1.4 This is the final report regarding the 2013-17 London Councils Grants Programme. It aims to provide a final summary of progress against the targets of the 25 commissions and a review into the extent to which issues raised in the 2012 Grants Review were addressed. The report focuses on the successes and challenges of the 2013-17 Programme and the lessons learned, in particular those drawn out in the 2015-16 Grants Review and how these are being addressed in the new 2017-21 Programme.

## **2 2012 Grants Review**

- 2.1 At its meeting on 12 June 2012 Leaders' Committee agreed a set of principles and priorities for the 2013-17 Grants Programme. This followed recommendations from Grants Committee, following an extensive consultation of boroughs and key stakeholders.

Principles:

- Commissioning services that deliver effectively and can meet the outcomes specified by London Councils, rather than funding organisations

- Commissioning services where there is clear evidence of need for services that complement borough and other services to support organisations that deliver services
- Commissioning services where it is economical and efficient to deliver services on a London wide basis or where mobility is key to delivery of a service to secure personal safety
- Commissioning services that can not reasonably be delivered locally, at a borough or sub-regional level
- Commissioning services that work with statutory and non-statutory partners and contribute to meeting the objectives of the Equality Act 2010.

2.2 Priorities focused on tackling:

1. Homelessness
2. Sexual and domestic violence
3. Poverty (via employment)
4. And providing support to the third sector.

2.3 In December 2012 Leaders' Committee agreed a budget for 2013-14 of £10 million (including £1 million match funding from ESF). This followed a reduction to the Grants Programme in the preceding years. In terms of borough contributions to the programme since 2010/11, contributions reduced from £24.9 million to £9 million, a reduction of £15.9 million (64 per cent).

2.4 This reduction was within the context of significant reductions to local authority budgets. Consequently the Programme was re-focused on areas that could best be delivered at a pan-London level and could not be delivered at a local level. These included services in which people move across boroughs to access services (such as those fleeing violence) and services of a specialist nature that would not be feasible to deliver at a local level. The increased emphasis on pan-London activities encouraged a greater focus on partnership/consortia working. Through partnership working at a pan-London level the Programme aimed to achieve an efficient use of specialist services.

2.5 Alongside a re-focus on the principles and priorities, the review also considered themes such as a strong focus on prevention. The equalities impact of changing the priorities was also considered as part of the review and the importance of specialist services delivering support to those not accessing statutory services was emphasised.

### **3 Successes of the 2013 – 17 Programme**

- 3.1 The principle success of the 2013-17 programme is the impact that the programme had on a large number of very vulnerable people. The headline figures for each of the priority areas are provided in section five below - further more detailed information can be produced on request.
- 3.2 The Programme has operated under a rigorous structure through the Commissioning Monitoring Arrangements Framework and the Grants Committee structure. At the forefront are the people that benefit from the services. An example of how quickly the Grants Programme was able to adapt to an external challenge through the Framework and the Grants Committee structure was when Eaves Housing for Women went into administration and closed at short notice. Funding was swiftly re-allocated in a matter of days and two highly vulnerable service users, who had been previously trafficked and were staying in the closing refuge, were moved to another London Councils provider and safely rehoused. It is to the credit of the Grants Committee members and the Committee's responsiveness that this swift action took place.
- 3.3 The re-confirmation of the programme's principles in March 2016 Leaders' and Grants Committees demonstrates the continuing relevance of these principles. Particular successes of the 2013-17 programme include the formation of a number of partnerships in direct response to London Councils move to a more pan-London approach. Two examples include the London Youth Gateway, led by New Horizon Youth Centre and the six Ascent projects under the London VAWG consortium. Both examples were driven by the move to a more pan-London approach and had additional benefits.
- 3.4 The partnership approach provided a more seamless package of support for service users, who were less likely to be lost between referrals to different services. These partnerships were also able to lever in additional funding due to the thorough processes they had undertaken to form robust partnerships. The partnerships provided an opportunity for smaller specialist organisations (for example Iranian and Kurdish Women's Rights Organisation, London Friend, Southall Black Sisters) to gain access to funding via the partnerships ensuring the projects were accessible to a wide range of different equalities groups. The partnerships provided stability and support for these smaller VCOs, in particular through the second tier provider Women's Resource Centre. Many of the partnerships have continued and were successful in applying for funding in the new 2017-21 Programme.

- 3.5 Another success of the programme was in the changes made to the administration of the programme through a new monitoring framework, entitled Commissioning Monitoring Arrangements (CMA), agreed at the February 2013 Grants Committee. The CMA was designed to assure the Grants Committee that London Councils has in place systems of oversight, control and reporting to ensure that funded organisations deliver the required outcomes in a manner that provides value for money. These improvements were introduced following concerns raised by the Grants Committee in the light of an internal audit of grants management and the Daniel Review in 2012<sup>1</sup>.
- 3.6 In July 2016 Grants Committee considered a report covering an initial review of the CMA. The report concluded that the CMA had been implemented successfully and had addressed the issues that led to its creation. It had driven up the performance of red and amber rated projects in the initial quarters of the cycle and the majority of projects progressed to become consistently green. The tools that sit within the CMA were sophisticated and allow for the capture of over 150 pieces of data quarterly as well as complex qualitative analysis and case study information.
- 3.7 Following the Daniel Review, presented to Grants Committee in February 2013, the internal audit team at the City of London Corporation undertook an audit of the grants programme in 2014. The audit reviewed the management controls which ensure that grants were issued in accordance with established priorities and the adequacy of due diligence checks, monitoring procedures and payment processes. The review also measured the extent to which the recommendations of the 2012 grant investigation had been implemented.
- 3.8 The review established that 'there is a sound control environment with risks to system objectives being reasonably managed'. The review concluded that internal control of grants was robust and a 'substantial' assurance rating was issued. In addition, it confirmed that all recommendations raised following the grant investigation in October 2012 had been fully implemented. The report concluded that there were a number of areas in which the model could be strengthened further and these were adopted in the review of the CMA.

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<sup>1</sup> London Councils Chief Executive commissioned Gareth Daniel to undertake a review into grants management procedures.

- 3.9 Additionally, the National Audit Office undertook an investigation<sup>2</sup> into the closure of Broken Rainbow (a partner under the partnership led by GALOP) which established that London Councils systems of monitoring were robust and thorough.
- 3.10 In addition to London Councils monitoring, some of the commissions published external evaluations of their projects leading to some projects being judged for an award. Examples include,
- Solace Women's Aid, Social Impact Report 2015 - [http://solacewomensaid.org/wp-content/uploads/2014/09/Social-Impact-Report-2015\\_Ascent-AC\\_Executive-Summary.pdf](http://solacewomensaid.org/wp-content/uploads/2014/09/Social-Impact-Report-2015_Ascent-AC_Executive-Summary.pdf)
  - Stonewall Housing was a finalist in the World Habitat Awards 2016 in recognition of the support they provide to LGBT people facing issues of homelessness or sexual and domestic violence <https://www.bshf.org/world-habitat-awards/winners-and-finalists/stonewall-housing/#award-content>
  - London Friend won the King's Fund GSK Impact Award in relation to their support of LGBT survivors of sexual and domestic violence, under the partnership led by GALOP <https://www.kingsfund.org.uk/audio-video/2016-gsk-impact-awards-london-friend>

#### **4 2015-16 Grants Review (2013-17 Programme Lessons learned)**

- 4.1 A key indicator of the success of the 2013-17 programme is in the fact that boroughs decided to renew the programme for a further four years, operating under the same principles. However, it is important to note that whilst the principles were re-affirmed, the 2015-16 Grants Review reflected on how effectively the 2013-17 programme had delivered against these principles and concluded that there were areas that could be improved.
- 4.2 The 2015-16 Grants Review included two thorough consultations (including borough officers and members, voluntary sector, other funders and key stakeholders such as GLA and MOPAC). The review drew out some key themes as follows.
- 4.3 Whilst the 2013-17 Programme moved significantly towards pan-London provision in comparison to the 2008-13 Programme, there remained issues to be addressed. The Grants Review drew attention to the changing nature of issues such as homelessness

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<sup>2</sup> National Audit Office <https://www.nao.org.uk/wp-content/uploads/2017/04/Report-on-the-Funding-and-governance-of-Broken-Rainbow.pdf>

and the increase and changing nature of need in outer London. This was addressed through the new specifications and needs based borough datasets which were developed with borough officers

- 4.4 The 2013-17 programme included a greater involvement of boroughs in the design and monitoring of services. However, there were boroughs that did not feel sufficiently satisfied with the impact of the programme for their residents. This issue was addressed with an increased focus on robust outcomes and borough involvement in the programme. Borough officers and members, as well as other key stakeholders were involved in the design of the priorities, specifications, assessment and moderation of applications, award of commissions, and learning from focus groups of borough officers fed into the grant agreement target setting process. Providers have presented at relevant borough officers networks, invited borough officers to launch events. Borough officers are kept up-to-date with the programme and will be surveyed to capture levels of satisfaction with the programme through annual review.
- 4.5 Another theme to emerge in the Grants Review was the increased need to address interrelated issues to ensure robust outcomes for individuals. For example, the interrelated issues of homelessness, domestic violence and homelessness and poverty/unemployment. This was built into the service specifications and is reflected in the awards. For example the award of funding to Standing Together Against Domestic Violence, which is working with housing officers and social housing landlords to improve the response to domestic violence.
- 4.6 The introduction of the Commissioning Monitoring Arrangements outlined above was an improvement in the monitoring of commissions. This was the basis for the new Commissioning Performance Management Framework which was agreed by Grants Committee in February 2017. The renewed framework incorporated lessons learned during the 2013-17 programme, including increased due diligence checks. These followed an internal audit which was directed to review the closure of Eaves Housing for Women and whether further checks could be included to try to predict such events.
- 4.7 The performance management framework sets out requirements which are quite resource intensive for providers. Learning from the 2013-17 programme, officers ensured that this was more explicit in the application materials so that applicants were more fully aware of the resource requirements from the outset. Other themes that emerged in the Grants Review were a continued emphasis on value for money and equalities. Further details on these are outlined in the report on the current programme on this agenda.

## 5 Performance

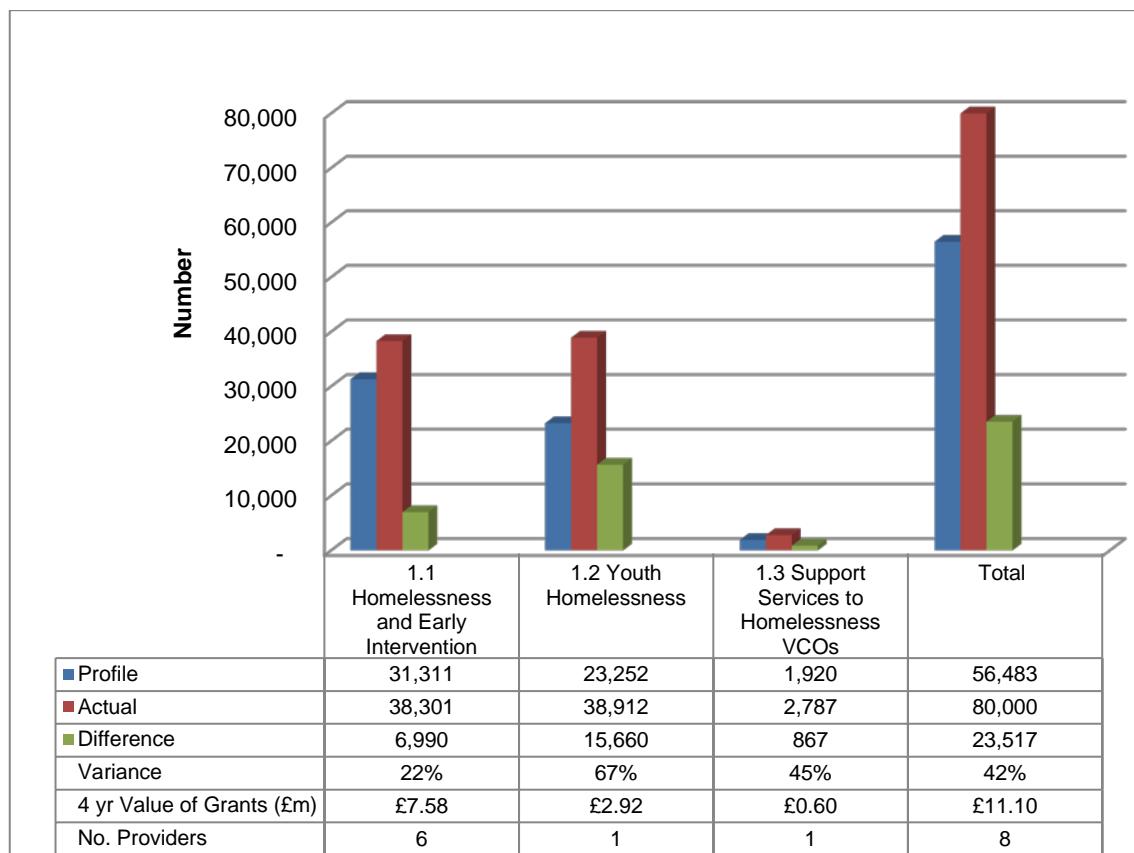
### 5.1 Priority 1: Homelessness

5.1.1 The Grants Committee allocated £11.1 million to eight projects under Priority 1: Homelessness for 2013-17. Of these eight:

- Six (total value of £7.58 million) delivered against specification 1.1: Early intervention and prevention
- One (value of £2.92 million) delivered against specification 1.2: Youth homelessness
- One (value of £0.6 million) delivered against specification 1.3: Support services to homelessness voluntary sector organisations.

5.1.2 Figure 1 shows the performance of the priority over the entire grant period April 2013 to March 2017. Over the four years performance was 42 per cent above profile. Priority 1 delivered a total of 80,000 interventions. Included within these are 11,929 people assisted to obtain suitable temporary or permanent accommodation and 1,567 people maintaining a tenancy for one year.

**Figure 1:** Priority 1 Homelessness Delivery against Profile (Aggregate Primary Outcome Indicators per Specification) 2013-14 Q1 to 2016-17 Q4



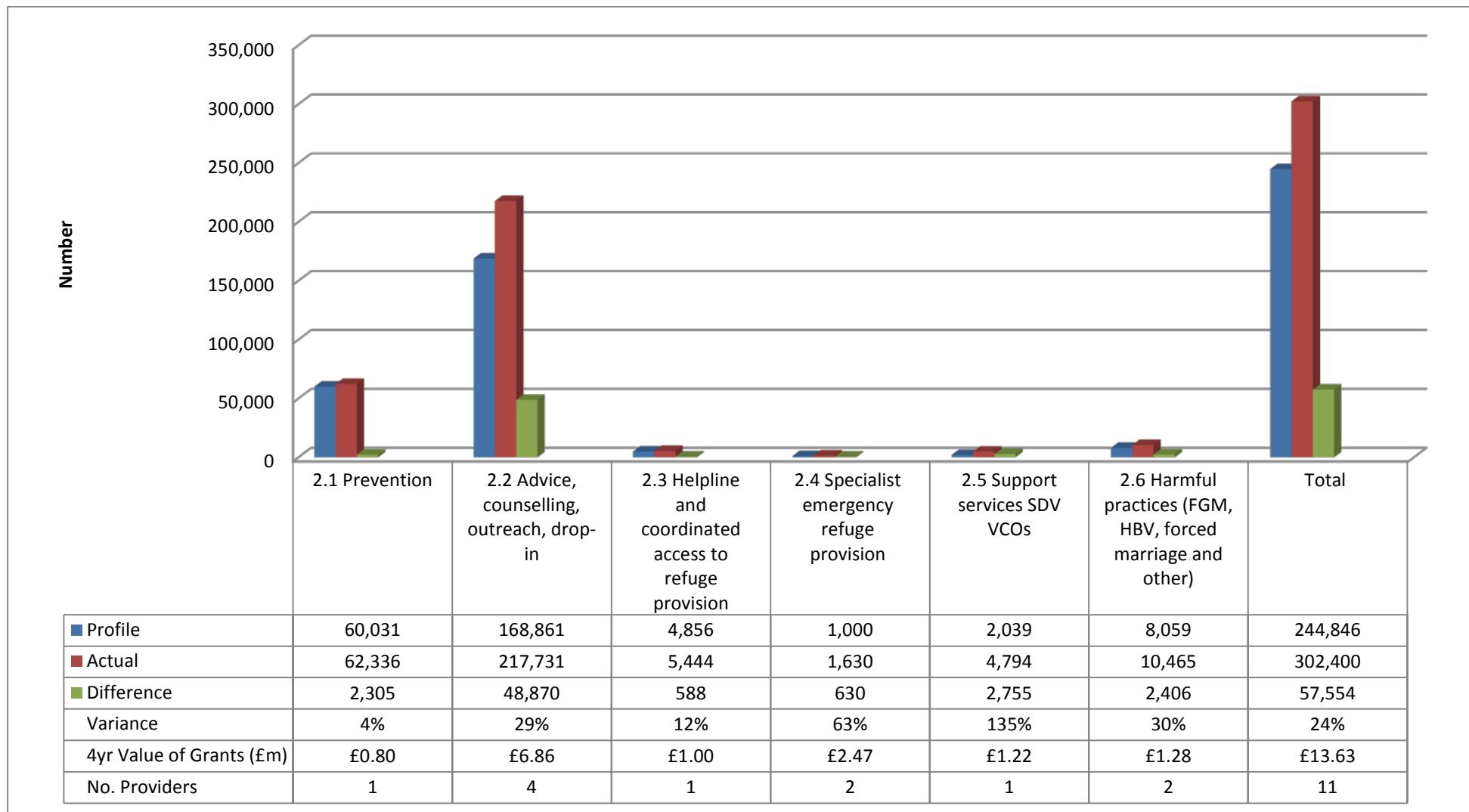
## **5.2 Priority 2: Sexual and domestic violence**

5.2.1 The Committee allocated £13.63 million of funding to 11 organisations to tackle sexual and domestic violence over four years:

- One (value of £0.8 million) delivered against specification 2.1: Prevention
- Four (total value of £6.86 million) delivered against specification 2.2: Advice, counselling, outreach, drop-in and support for access to services
- One (value of £1 million) delivered against specification 2.3: Helpline and co-ordinated access to refuge provision
- Two (total value of £2.47 million) delivered against specification 2.4: Emergency refuge accommodation that offers services to meet the needs of specific groups
- One (value of £1.22 million) delivered against specification 2.5: Support services to sexual and domestic violence voluntary organisations
- Two (total value of £1.28 million) delivered against specification 2.6: Services targeted at combatting female genital mutilation, honour-based violence, forced marriage and harmful practices.

5.2.2 Figure 2 shows delivery for the period 2013-2017, with overall performance 24 per cent above target. Issues of under-performance in the early part of the programme were comprehensively addressed in the later part of the programme. Priority 2 Sexual and Domestic Violence delivered 302,400 interventions. These included 6,784 children/young people knowing where to seek support and how to disclose and 30,524 people more able to make safe choices leading to a reduction in occurrence and/or effects of violence, sexual abuse and repeat victimisation.

**Figure 2: Priority 2 Delivery against Profile (Aggregate Primary Outcome Indicators per Specification) 2013-14 Q1 to 2016-17 Q4**



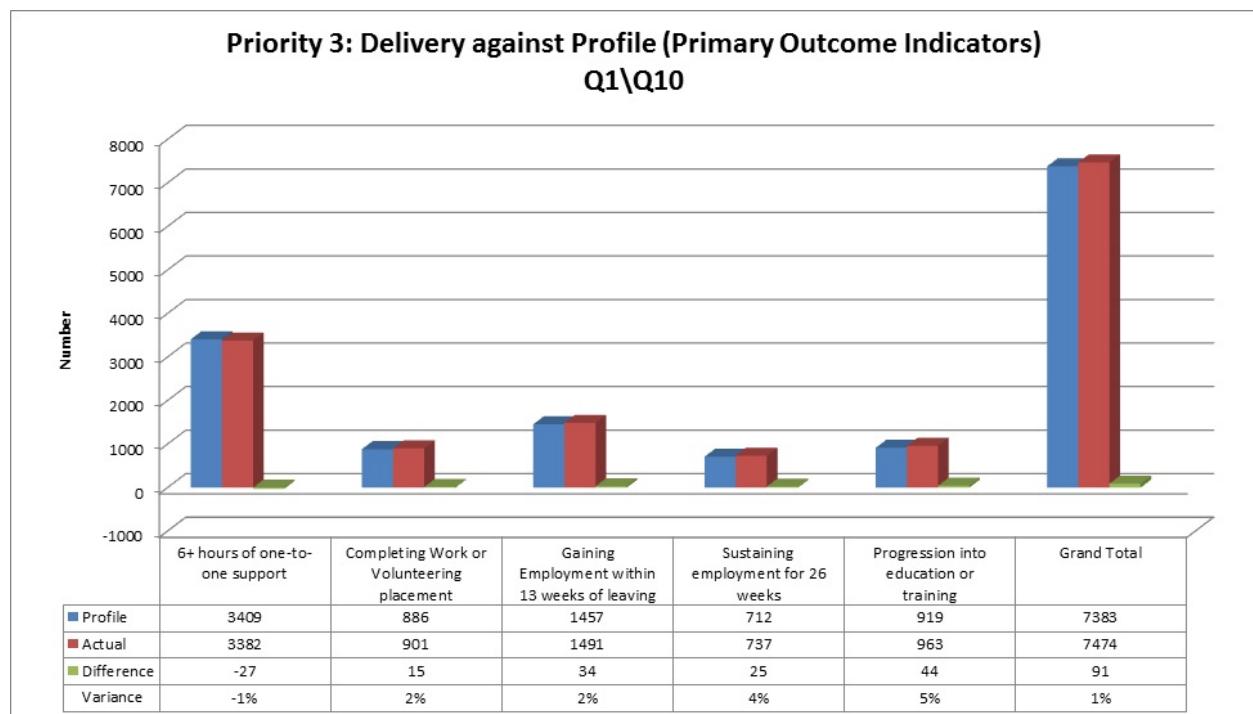
### 5.3 Priority 3: ESF tackling poverty through employment

5.3.1 The Committee allocated £3.76 million to 10 projects in priority 3: ESF tackling poverty through employment over two years. This included 50% ESF match funding. This included:

- One project (with £0.32 million) delivered specification 3.1a: Disabled parents
- One project (with £0.38 million) delivered specification 3.1b: People with mental health needs
- Three projects (with £1.14 million) delivered specification 3.2: People from ethnic groups with low labour market participation rates
- Four projects (with £1.49 million) delivered against specification 3.3: Women facing barriers to employment
- One project (with £0.25 million) delivered against specification 3.4: People recovering from drug and alcohol misuse.

5.3.2 This cycle of this priority has now completed, including the one quarter's extension agreed by the Committee. Figure 3 shows the performance of the priority across all quarters. Overall performance was 1% above profile.

**Figure 3:** Priority 3 Delivery against Profile (Primary Outcome Indicators) Q1/Q10



- 5.3.3 All projects finished in the green category on the RAG rating. Projects performed well, in part, due to good quality performance management and robust monitoring and audit process. Underperformance was quickly identified and measures put in place to support the project back to achievement of targets. If a project was unable to improve, the option to withdraw funding and offer this to projects that were performing better was available.
- 5.3.4 Less work experience and more job search were delivered than originally profiled as funding was moved to pay for additional jobs and sustained outcomes.

<b>Deliverable</b>	<b>Original Profile</b>	<b>Actual Delivered</b>	<b>Difference</b>	<b>Value Profile</b>	<b>Value Actual</b>	<b>Value Difference</b>
<b>Enrolled</b>	3,153	4,145	992	£ -	£ -	£ -
<b>6+ hours one-to-one support</b>	3,070	3,433	363	£1,074,500	£1,201,550	£ 127,050
<b>Completing work experience</b>	1,531	886	-645	£535,850	£310,100	-£225,750
<b>Gaining employment</b>	1,000	1,457	457	£800,000	£1,165,600	£ 365,600
<b>Sustaining employment min 26 weeks</b>	500	710	210	£800,000	£1,136,000	£ 336,000
<b>Progression into education/training</b>	1,220	927	-293	£488,000	£370,800	-£117,200
<b>Totals</b>	<b>10,474</b>	<b>11,558</b>	<b>1,084</b>	<b>£3,698,350</b>	<b>£184,050</b>	<b>£485,700</b>

- 5.3.5 The total value difference in the table represents the £500,000 extension that the Grants Committee gave to the ESF priority to help manage the transition between national ESF programmes. The total value actual, with management and administration at 5.99 per cent added, is £4,434,674. The balance of £66,000 represents a 1.5 per cent underspend.
- 5.3.6 35 per cent of participants in priority 3 of the Grants Programme gained employment. This is a strong result compared to other ESF programmes.
- 5.3.7 The table below shows how the London Councils ESF programme, of which priority 3 is a key part worked with the highest proportion of economically-inactive people (the hardest client group) in London: 65 per cent compared to the London average of 46 per cent. Also, the London Councils programme had the highest proportion of job outcomes: 33 per cent compared to the London average of 16 per cent. Moreover, London Councils' unit cost for job outcomes demonstrates best value: £4,450 compared to the £6,056 London average.

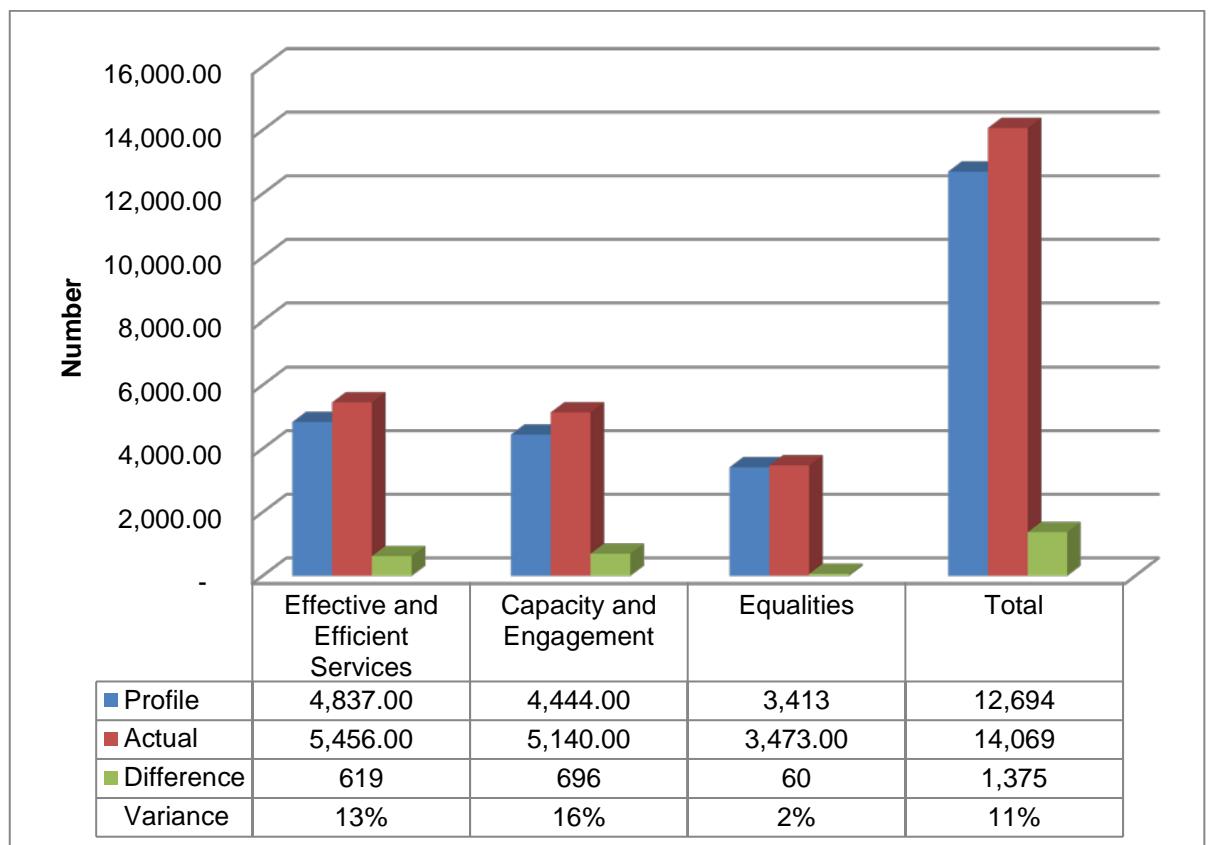
## Comparison of ESF programmes in London

CFO	Economically Inactive (%)	Unemployed (%)	14-19 NEET (%)	Job outcomes (% of leavers)	Unit cost per job outcome	Six month sustained job outcomes (% of leavers)	Unit cost per six month sustained job outcome
London Councils	65%	35%	N/A	33%	£4,450	Not available	N/A
GLA	21%	44%	31%	24%	£5,072	Not available	N/A
SFA	7%	59%	22%	9%	£5,783	Not applicable	
NOMS	40%	49%	11%	13%	Not available		
DWP	<b>46%</b>	<b>47%</b>	<b>6%</b>	<b>16%</b>	<b>£6,056</b>	<b>Not available</b>	
London Average	<b>36%</b>	<b>47%</b>	<b>18%</b>	<b>18%</b>	<b>£5,340</b>	Not applicable	

## 5.4 Priority 4: Capacity building

- 5.4.1 The Grants Committee allocated £5.32 million over four years to six projects under priority 4, to build capacity in London's voluntary and community organisations to help them provide effective services.
- 5.4.2 There is only one specification in this priority. Figure 4 shows the performance of the priority for the entire grant period April 2013 to March 2017. Over the entire grant period the performance was 11 per cent above profile. This figure is in contrast to the under-delivery of -5 per cent reported to Grants Committee in November 2016. The four year figure is higher as it includes outcomes by second tier providers.

**Figure 4** Priority 4 Delivery against Profile (Aggregate Primary Outcome Indicators per Specification) 2013-14 Q1 to 2016-17 Q4



## **6 Programme management and close of the 2013-17 Programme**

- 6.1 As outlined above in sections two to four, officers monitored projects against the performance management model agreed by Grants Committee at their meeting in February 2013, with adjustments made following consideration of this model by Grants Committee at their meeting 18 November 2015.
- 6.2 Officers closed the programme in line with the commissioning monitoring arrangements policy<sup>3</sup> to ensure the safeguarding of public money invested in the programme by the boroughs. For priorities 1, 2 and 4 the final payment of the programme was split into two payments. An initial payment relating to the final quarter was released on satisfactory submissions of returns relating to the period October to December 2016.
- 6.3 The second part of the split payment was made following receipt of a satisfactory final return after the close of the commission including an evaluation report and a report on any underspend. Where underspend was identified the final payment was reduced. Where there was significant under-delivery, in particular where providers had been performing at amber or red level on the RAG rating system for two or more quarters, or the provider had breached the 15 per cent tolerance on cumulative targets (outlined in the handbook), officers reduced the final payment in line with the level of under-delivery. The figures relating to reduced payments were reported to members in the report on the accounts considered at the July 2017 meeting of the Grants Committee.

## **7 Recommendations**

- 7.1 The Grants Committee is asked to:

- 7.1.1 Note the summary of final performance data provided in section five. The cumulative results across the four years were above target for all priorities. The number of interventions delivered over the four years is as follows:

**Priority 1 Homelessness** delivered 80,000 interventions. These include 11,929 people assisted to obtain suitable temporary or permanent accommodation and 1,567 people maintaining a tenancy for one year.

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<sup>3</sup> Agreed by Grants Committee, February 2013

reduction in occurrence and/or effects of violence, sexual abuse and repeat victimisation.

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- 7.1.2 Note the assessment on the extent to which themes drawn out in the 2012 Grants Review were addressed in the 2013-17 Programme as outlined in sections two to four.
- 7.1.3 Note the lessons learned from the 2013-17 Grants Programme, particularly those identified through the Grants Review 2015-16 as outlined in section four.
- 7.1.4 Endorse the continued approach to addressing lessons learned as set out in section four (this is also outlined in the report on the 2017-21 Programme on this agenda).
- 7.1.5 Agree that officers submit the draft response to the Charity Commission consultation on charities annual submissions, included at Appendix One. The response is based on lessons learned from the 2013-17 Programme.

## **Financial Implications for London Councils**

None

## **Legal Implications for London Councils**

None at this stage

## **Equalities Implications for London Councils**

London Councils' funded services provide support to people within all the protected characteristics (Equality Act 2010), and in particular targets groups highlighted as particularly hard to reach or more affected by the issues being tackled. Funded organisations are also required to submit equalities monitoring data, which can be collated across the grants scheme to provide data on the take up of services and gaps in provision to be addressed. The grants team reviews this annually.

## **Background Documents**

Grants Programme Performance Report – Year 3 – Grants Committee, July 2016

Grants Programme Performance Report - Year 2 – Grants Committee, 15 July 2015

Item 4 - Grants Programme 2013/15 – Grants Committee, 20 February 2013

Item 5 - Commissioning Monitoring Arrangements – Grants Committee, 20 February 2013

Item 3 - London Boroughs Grants Programme 2013/15, - Leaders' Committee, 12 June 2012

Item 5 - London Boroughs Grants Programme 2013/15, - Grants Committee, 24 May 2012

## Draft London Councils Response to Charity Commission Consultation

### Background

The Charity Commission is consulting about proposed changes to the next version of the Annual Return which will apply to charities' financial years starting on or after 1 January 2018. The annual return, which applies to charities above a certain income threshold, enables the Charity Commission to maintain an accurate register of charities and understand the sector and regulate it more effectively.

London Councils represents London's 32 borough councils and the City of London. It is a cross-party membership organisation that works on behalf of all of its member authorities to lobby, share best practice and deliver services. London Councils (and its predecessors, ALG and London Boroughs Grants) has been funding a large number of charities following the establishment of the pan-London Grants Committee formed through the 1985 Local Government and Housing Act.

Over the last two Grants Programmes (2008-2013 and 2013-2017) London Councils has funded many charities (directly and through partnerships). During the 2013-17 programme, 33 of the 36 lead organisations were registered charities. Over the two programmes London Councils has invested over £80 million of public money and has undertaken two extensive reviews of its programmes (2012 and 2015/16). This foundation of evidence puts London Councils in a good position to provide a well-informed response. London Councils would like to thank the Charity Commission for inviting responses to this consultation.

London Councils uses the charities register to inform the administration of the Grants Programme, and in particular at the application and award stage of the commissioning cycle. It is key that information is accurate and robust on the register to ensure the safeguarding of public money. Having access to a series of charity accounts on the register is extremely useful.

In the administration of public money, due diligence and accountability are critical. London Councils has developed a comprehensive framework for the performance management of its Grants Programme <http://www.londoncouncils.gov.uk/node/31231>; robust due diligence and accountability are key planks of this framework. We wish to share our learning from managing programmes including lessons learned when projects went into administration with little warning. This type of event led us to develop comprehensive due diligence checks outlined in pages 15 to 18 of the framework noted above.

As a membership organisation, we also wish to reflect feedback from the London boroughs. Borough officers discussed the extended questions being suggested in the consultation;

caution was expressed regarding whether the Charity Commission will have sufficient capacity to deal with additional information, and the importance of keeping in mind the use of the new data when adding additional questions. Borough officers welcomed the introduction of questions around government funding to enable better coordination and less duplication. Officers would like to draw the Charity Commission's attention to 360Giving in which funders publish information on who, what, and where they fund, in a standardised format to promote impactful and strategic funding <http://www.threesixtygiving.org/>.

London Councils encourages the Charity Commission to update its guidance "Charity Reporting and Accounting - the essentials" (CC15c) (<https://www.gov.uk/government/publications/charity-reporting-and-accounting-the-essentials-march-2015-cc15c>) - issued March 2015, to ensure compliance and standardisation.

London Councils would also recommend that safeguards are put in place to ensure the accuracy and compliance of the returns. For example, London Councils officers have identified unsigned accounts on the register and would like to urge that all accounts are checked to ensure only signed accounts are submitted.

## **Summary**

In Summary London Councils welcomes the opportunity to comment on the Charity Commission consultation. In our role as a pan-London funder, we are aware of the need to safeguard public money. We have outlined ways in which we have expanded our due diligence checks which may be useful for the Commission to consider. This is balanced with the need to remain proportionate and to ensure that information is gathered for a purpose that is made clear from the outset. As a public funder we value the register but would encourage greater scrutiny to ensure accuracy and standardisation of annual reports and returns.