

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2245

Title: Grant funding support for London Emergencies Trust

Executive Summary:

London Emergencies Trust (LET) is the principal distributor of charitable donations to those bereaved and injured as a result of the fire at Grenfell Tower and the terrorist incidents at Westminster Bridge, London Bridge, Finsbury Park and Parsons Green. Approval is sought to provide a contribution to LET operating costs for 2018/19. This will ensure LET is able to respond quickly in the event of a terrorist attack or other civil emergency.

Decision:

That the Executive Director of Resources approves:

Grant funding of £75,000 towards the operating costs of the London Emergencies Trust

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Martin Clarke

Position: Executive Director of Resources

Signature:



Date:

22.5.18

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 London Emergencies Trust (LET) is a registered charity and company limited by guarantee without a share capital, which began operations after the terrorist attack on Westminster Bridge in March 2017.
- 1.2 Many of its trustees and staff were involved in the work of the London Bombings Charitable Relief Fund (LBRCF) – a charity set up following the 7/7 attacks in 2005, which passed public donations to the bereaved and injured as charitable gifts. The Fund distributed the near £12m donated and then closed, having carried out the task it was set up to deliver.
- 1.3 In 2015, a number of the former LBRCF Trustees set up the LET as part of the preparedness for terrorist-related or other incidents which might require charitable gifts to be made to those affected as next-of-kin or injured and requiring hospital treatment.
- 1.4 London Funders (the membership network for funders and investors in London's civil society) agreed to act as Company Secretary to LET and supported the new charity to ensure it had appropriate governance, systems and processes in place as a dormant organisation (or, if possible, registered though inactive) until needed when it could be activated quickly to respond to an emergency, whether terrorist attacks or natural disaster on a widespread basis.
- 1.5 It was agreed that in order for the LET to first become active the Mayor of London would make a statement that there had been such an incident or emergency, and that a charitable appeals fund has been set up, independent of the Mayor, to raise and distribute money to those affected. The Mayor formally asked LET to activate following the Westminster Bridge attack. LET has been operational since March 2017 distributing charitable donations in the form of grants to those affected at Grenfell and the four London terrorist incidents. A small team has made over 200 grants to the bereaved and injured totalling almost £10m, in several payment rounds.
- 1.7 Operational costs for the charity (staff, office accommodation, administration and equipment costs) have been covered through a mix of grants from trusts and foundations (notably City Bridge Trust, Trust for London and Paul Hamlyn Foundation), the British Red Cross, and support in kind (pro bono legal advice, seconded staff from grant makers, free/low cost office accommodation provided by CAN (a registered charity trading as a social enterprise which provides affordable office space).
- 1.8 The running costs of the charity amount to around 3% of turnover, and as such it is an extremely lean operation. Staff are supported by expert and hands-on trustees who bring operational and specialist knowledge from the field of grant making, charity fundraising and regulation, law, health services, and lived experience of emergency incidents.
- 1.9 Funding is sought to continue the current level of activities to end September 2018, with remaining funds being set aside to enable LET to quickly ramp up activities again in the event of any future emergency incidents.

Activity in 2017

- 1.10 Since March 2017, the LET has been working with the British Red Cross (BRC) and other funders/fundraisers to distribute charitable donations by the public to the bereaved and injured who were caught up in the terror attacks at: Westminster; London Bridge; Finsbury Park; and Parsons Green. Across these four sites the LET has so far distributed £1.86m in respect of 75 victims.
- 1.11 There was no public appeal following the Westminster attack, when donations came from mainly private sources. Following the London Bridge attacks (which was the third incident after Manchester) BRC launched the UK Solidarity Fund as the fundraising platform for London Bridge and future incidents, so the response to such attacks is now an automatic one not needing the Mayor to declare an incident. The decision as to whether to become involved following an incident is made by the LET trustees in conjunction with the BRC. Funds raised by BRC through the UK Solidarity Fund are specifically ring-fenced to an incident ensuring donations reached the intended recipients.
- 1.12 The LET is also the main distributor of public donations to the bereaved and injured of the Grenfell Tower fire, working alongside other charities distributing funds to survivors.
- 1.13 The LET staff team possess the skills of the professional business of grant-making and making sure any donations are properly spent and accounted for. The LET also relies on significant pro bono support – for example, some staff from other charities have been seconded in to assist; office space and legal services have been donated free of charge. The Trust has also secured an agreement with a specialist law firm to provide pro bono assistance to families where receipt of grant funding first requires the establishment of a legal trust (e.g. where the grantee is a minor).
- 1.14 100% of the donated funds raised for each incident are distributed to the bereaved next of kin and injured. None of the funds passed to the LET are used to cover operating costs. It has been a challenge to secure operating costs, despite the in-kind support the LET has received, but grants from several trusts and foundations have ensured the LET can continue its work into financial year 2018/19.
- 1.15 The core team presently comprises three people – a charity CEO/Director, a Head of Operations / Casework (0.8 FTE), an administrator (0.6 FTE) and pro bono assistance from City Bridge trust staff as needed. Caseworkers have been added to this as and when needed, and some case work support was provided by British Red Cross at Grenfell.

2. Objectives and expected outcomes

- 2.1 LET was envisaged as a charity that would only become active whilst dealing with the consequences of emergency incidents and would scale back its activities when its task was complete. At the time of writing, the intention of trustees is to scale back LET activity in September 2018. In this event, all information systems, data, protocols and learning will be consolidated, and held by LET's Company Secretary, London Funders. Staff however, would move on and in the event of an emergency the charity would need to bring in (at least) a Director, Head of Operations, Administrator and put in place flexible contingent of case workers / grant makers. Current staff members have agreed to make themselves available in that instance to advise trustees on the recruitment and induction of a new team.
- 2.2 Any funds held by the charity for its operating costs will continue to be held to allow for a rapid 'start up' if necessary, and trustees will continue to meet regularly as a board. Should an increase in activity be necessary, a current team member will lead the practical process. This team member was seconded to assist the London Bombings Charitable Relief Fund in 2005 and LET in 2017.

- 2.3 At present however, LET continues to be engaged in all sites, making grants and dealing with complex and ongoing casework. Staff members are also contributing to wider learning on disaster relief, leading on the 'distribution' strand of the Charity Commission's work on developing a National Critical Incident Response (NCIR), and playing an active part in a series of reviews by other charities and government departments. LET will shortly commission an independent review of its own activities.
- 2.4 It may be that as a result of the NCIR work LET is asked to extend its existence to allow it to share learning and skills, perhaps taking on field building/ capacity building activities to support London (and other areas of the UK) to improve their ability to provide charitable grants in the event of emergencies. This will become clearer over the Spring and Summer 2018.
- 2.5 LET has produced a budget for 2018/19 that is premised on a front loading of expenditure (for 6 months, to support ongoing activity at the five London incidents) before a gradual winding down of activities from October 2018, but retaining its readiness to become active again quickly.
- 2.6 Projected income for the financial year 2018/19 is £217,564 (including proposed grant from GLA), against projected expenditure of £170,350 (£122,500 to end September 2018, £47,850 from October 2018 to March 2019). That leaves a surplus of £47,214 which is intentional, as it is LET's view that this level of reserve is necessary to either (a) to support escalation of activity in case of an emergency during the remainder of 2018/19, or (b) to be held for longer, into 2019/20, to cover initial emergency start-up costs in that financial year. Having funds in the bank is essential to being able to act quickly, set up a team and begin receiving donated funds and paying out grants to victims and their families.
- 2.7 Given this, LET is requesting funding in support of its operations, seeking £50,000 towards costs for the period April 2018 to Sept 2018, and £25,000 for the period October 2018 to March 2019. This second tranche would contribute to ongoing costs whilst LET is in a period without paid staff, but with ongoing liabilities (e.g. filing annual returns, maintaining access to cloud-based data), and ready to reactivate quickly. During this period LET will be administered by trustees and pro bono input from an experienced grant maker (who worked on the London Bombings Relief Charitable Fund). Trust for London and City Bridge Trust will be asked to contribute matched funds of £25,000 each to cover the second half of the year. Together they have already contributed over £100,000 to LET's operational costs in 2016/17 and 2017/18.

3. Equality comments

- 3.1 Under section 149 Equality Act 2010 the Mayor must, when exercising his functions have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and those who do not; and
 - foster good relations between people who share a protected characteristic and those who do not.
- 3.2 The LET does not take decisions on the distribution of donations by reference to any protected characteristic under the Equality Act 2010, but by reference to individual need. That is a matter for the LET, in accordance with its own governance as a charity. In deciding how to allocate its charitable donations, the LET must also have due regard to the Public Sector Equality Duty set out

above. The proposed contribution is to enable the LET to continue to operate. It is therefore considered that the proposed provision of support by way of a financial contribution to its operating costs does not of itself raise any issues for the Authority under the Equality Act 2010. If, as may be the case, a particular incident has a disproportionate impact on a group of people with one or more protected characteristics, then the proposed grant will have a positive impact on those groups by ensuring that the LET can continue its work to support them.

4. Other considerations

a) Key risks and issues

- 4.1 If funding is not provided, LET will be dependent on raising funds for this activity from other external sources, potentially detracting from the more crucial task of managing the process of grant giving and supporting victims and their families.

b) Links to Mayoral strategies and priorities

- 4.2 The Mayor formally established LET to support victims and their families in response to terror attacks and other disasters. It is vitally important that the process of distributing donations is properly managed and independently controlled. As evidenced above, LET has huge experience in carrying out this role.
- 4.3 The Mayor has also provided additional support in the wake of the Grenfell Fire in strategic support for housing and grants to small businesses affected by the fire.

c) Consultation

- 4.4 The Assistant Director, External Relations advised the GLA Oversight Committee in January 2018 that this provision of financial support to LET was being considered.

5. Financial comments

- 5.1 The proposed grant of up to £75,000 to the London Emergencies Trust (LET) will be funded from the Authority's Corporate Contingency budget for 2018-19 with the milestone payments to be made in line with the terms and conditions set out within the standard GLA funding agreement.

6. Legal comments

- 6.1 Part II Greater London Authority Act 1999 (as amended) (GLAA) sets out the general functions and procedure of the GLA, starting with the general power in section 30, which provides as follows:
- (1) The Authority shall have power to do anything which it considers will further any one or more of its principal purposes.*
- (2) Any reference in this Act to the principal purposes of the Authority is a reference to the purposes of –*
- (a) promoting economic development and wealth creation in Greater London;*
- (b) promoting social development in Greater London; and*
- (c) promoting the improvement of the environment in Greater London.*
- 6.2 The section 30 functions are exercisable by the Mayor acting on behalf of the GLA (s.30(10)). Decisions taken pursuant to the s.30 powers can be delegated by the Mayor in accordance with the Authority's scheme of delegation.

- 6.3 Section 31 GLAA sets out the limits on the general power, and provides that the s.30 powers shall not be used where it would involve incurring expenditure in doing “anything which may be done by” Transport for London, MOPAC, LFEPA (the London Fire and Emergency Planning Authority) or a Mayoral Development Corporation. Neither must the power be used to incur expenditure in providing education services; social services or health services which may be made by a London borough, the Common Council or any other public body. None of these limitations is relevant here.
- 6.4 The social development powers in section 30 (2) (b) are interpreted broadly. It is considered that they are sufficiently broad to permit the Authority to provide the proposed financial support by way of a grant to the LET. The proposed financial contribution to the LET would ensure that it is able to continue its valuable work and act quickly should there be another major incident leaving communities and members of the public in need of urgent support.
- 6.5 In determining whether or how to exercise the power conferred by section 30(2)(b) the Mayor must:
- (i) have regard to the effect that the exercise of his powers will have on the health of persons in Greater London, health inequalities between persons living in Greater London, the achievement of sustainable development in the United Kingdom and climate change and its consequences (sections 30(3-5) GLAA;
 - (ii) pay due regard to the principle that there should be equality of opportunity for all people (section 33 GLAA); and
 - (iii) have due regard to the Public Sector Equality Duty (as to which see section 2 above).
- 6.6 These matters have duly been taken into account.
- 6.7 In addition to the matters set out above, where the Mayor is proposing to use the power conferred by section 30(2)(b) GLAA, the Mayor must consider consulting in accordance with section 32 GLAA. In the context of this decision, it is not considered that any consultation is necessary.
- 6.8 The decision is in accordance with the Authority’s decision-making framework.

7. Planned delivery approach and next steps

Activity	Timeline
Funding agreement signed	June 2018
Announcement (to be considered)	July 2018
Annual report of expenditure made	March 2019

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Emma Strain has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Emma Strain has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on (insert date)

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. J. HLA

Date

22.5.18

