

**TITLE OF REPORT: ITEM REFERRED FROM OVERVIEW AND SCRUTINY
COMMITTEE: 29 JULY 2014 – GRANTS POLICY REVIEW**

*The following is an extract from the Draft Minutes of the Overview and Scrutiny
Committee meeting held on 29 July 2014.*

25. GRANTS POLICY REVIEW

The Head of Policy and Community Services presented the report entitled Grants Policy Review.

She advised that the report outlined the review of the Council's Grant Policy and incorporated proposals from the Overview and Scrutiny Task and Finish Group on the Grants Process and Related Community Benefits and the Shared Internal Audit Service.

The Head of Policy and Community Services drew attention to section 6.4 of the report which detailed how the recommendations of the Task and Finish Group would be addressed and Section 7.1 which gave a summary of the recommendations and update arising from the Shared Internal Audit Service.

She gave an overview of the responses and actions underway or completed, as detailed in Section 7.2 of the report, including that devolving of responsibility for awarding grants that had evolved through custom and practice although there was no specific authority for this and there were risks involved in doing so.

A review of the Fast-track grant applications had demonstrated that these were often being used inappropriately, rather than for urgent matters that could not wait for the relevant Committee meeting. Therefore this type of grant would no longer exist except for truly exceptional circumstance.

It was also proposed that minor Memorandums of Understanding (MOUs) cease post 2014/15 and that Major MOUs be reviewed during 2014/15 with the view of formalising the process.

Members debated the report and asked several questions as follows:

Responsibility for awarding grants

Members were keen that the individuality of each Area Committee be maintained and this should include how they managed their budgets and awarded grants. They felt that certain Area Committees benefitted from Ward Member budgets and these should be continued

The Head of Policy and Community Services explained that there was technically one budget per Area Committee and that the devolving of responsibility for parts of that budget had grown through custom and practice and there were not, at present, the correct authorities in place to do this.

Fast-tracking of Grants

Members were concerned that Fast-track Grants would be discontinued and that the proposed emergency grant procedures did not include any Ward Member involvement

The Head of Policy and Community Services reminded Members that there was no specific delegation powers for the current method of a Chairman of an Area Committee fast-tracking grants and assured them that emergency grant award procedures would be in place, however delegation for this currently sat with the Strategic Director of Finance, Policy and Governance. If Members wished to continue with the current system the Constitution would need to be amended in regard to delegation of powers.

It was proposed and seconded that the Fast-track Grant method continue and that the maximum grant available under this method should be £250.

Memorandums of Understanding

Members asked for clarification regarding the difference between major and minor MOUs and grants. They were concerned that the award of Major MOUs appeared to have little Member input.

The Head of Policy and Community Services advised that MOUs were granted over three years in return for a service and that the type of MOU was determined taking into account the level of the award together with the area of the District that would benefit. A grant was funding given on an ad-hoc basis.

She advised that she was undertaking a benchmarking exercise regarding Major MOUs and that many of the existing Major MOUs now constituted contacts and would be negotiated and managed as such in the future.

It was proposed that, as Major MOUs were generally awarded to organisations that provided services to the whole District, or large areas of the District, these should be renamed "District Grants" and that they should not be considered as part of the grants process.

Summary Grant Award Matrix

Members considered the Summary Grant Award Matrix and were concerned that there should not be a maximum award allowed, but accepted that Officers could be limited to the amount they could recommend.

It was proposed that the second column of the Summary Grant Award Matrix be re-titled "Maximum value that can be recommended by Officers".

Other Issues

Members asked about how the Parish Challenge and Rural Grants Funds were decided.

The Head of Policy and Community Services advised that there was a Panel that reviewed all applications and made the decisions about which applications would receive funding.

RECOMMENDED TO CABINET:

- (1) That it not be prescribed as to whether Area Committees can split their budget, including into Ward or Member budgets;
- (2) That fast-tracking of urgent grants continue up to a limit of £250;
- (3) That Major MOUs be re designated as District Grants and not be considered as part of the grants process;
- (4) That the title of the second column of the Summary Grant Award Matrix (Grants Policy - Paragraph 7) be re-titled "Maximum value that can be recommended by Officers";
- (5) That, on condition (4) above is agreed, the Summary Grant Award Matrix (Grants Policy – Paragraph 7) be supported; and
- (6) That there be two distinct types of grant called "Area Grants" and "District Grants".

REASON FOR DECISION: To enable the Overview and Scrutiny Committee to comment on the Grants Policy Review prior to consideration by Cabinet.

[NOTE: The report to which this referral relates is Item 9 on this agenda.]