

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Policy and Resources
Date:	9 April 2015
Title:	Member's Devolved Budgets - Updated Protocol
Reference:	6585
Report From:	Director of Policy and Governance – Corporate Services

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1. Executive Summary

- 1.1. The purpose of this paper is to seek the Executive Member's approval for an updated Protocol (set out in Appendix 1 of this Report) to govern the operation of the Member's Devolved Budget Scheme.
- 1.2. This brief paper seeks to succinctly outline the history of the scheme, the reasons why changes are proposed to the Protocol and to explain the changes.

2. Contextual information

- 2.1. The Member's Devolved Budget Scheme was established in May 2007 following reports to Cabinet on 21 May 2007 and to Full Council on 24 May 2007.
- 2.2. The scheme was updated in June 2013 following a report to the Executive Member for Policy and Resources when, in the light of the practical experience gained in operating the scheme, the eligibility criteria were amended to give Members greater flexibility to support a wider range of applicants. The aim being to ensure that the maximum possible community benefit could be derived from the scheme.
- 2.3. For legal reasons the authority to make the final decision on the award of a grant under this scheme was delegated to the then County Treasurer. It was, however, clearly established that individual Members were responsible for checking the eligibility of applicants and the compliance with the protocol before recommending grants for approval.
- 2.4. It is now proposed to further amend the scheme to allow, where members believe that specified criteria have been met, grants that are not project related and which help support the revenue budget of the applicant

organisation to be approved. The opportunity has also been taken to make some minor housekeeping changes to the protocol.

3. Finance

- 3.1. At its meeting in February 2015, the County Council approved a budget allocation of £8,000 per Member, for the Member's Devolved Budget scheme for 2015-2016.
- 3.2. The new protocol proposed in this report will take effect for 2015-2016 (grant round opens in June 2015) and all subsequent years unless further changes are proposed.

4. The New Protocol

- 4.1. The new protocol follows the form of the Protocol established in 2007 and amended in 2013. It is not therefore proposed to rehearse the basic structure of the scheme in this report but rather to highlight where the new Protocol differs from protocol approved in 2013.
- 4.2. The existing protocol allows grant funding to support project related costs and it excludes grant funding to support the day to day revenue cost of an applicant organisation. While revenue funding should still generally be used to support project related costs, the amended protocol does permit funding to support the general revenue costs of smaller organisations where Members are satisfied that:
 - The applicant organisation is not statutory body e.g. a Council, a school or a NHS body.
 - The revenue support required is generally regarded as 'one off'.
 - The applicant organisation has a viable plan to balance its budget in future years.
 - The applicant organisation will remain viable and in existence for the financial year in question.

5. Recommendations

- 5.1. That the updated protocol for the governance of the Member's Devolved Budget Scheme set out in Appendix 1 is approved.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Devolved Budgets to Members (Cabinet)		21 May 2007
Devolved Budgets to Members (Full Council)		24 May 2007
Member's Devolved Budget Update	4905	26 June 2013
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	
None		

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

The Protocol requires Members to give due regard to the public sector equality duty before making a recommendation and the monitoring information gathered as part of the application process enables the County Council to monitor the overall impact on equalities of the scheme.

2. Impact on Crime and Disorder:

None

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

N/A

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

N/A

Protocol for Individual Budgets for Members of Hampshire County Council

Introduction

Each Member will receive an annual budget, to be allocated to local projects, initiatives or organisations in their Division. Legitimate groups and organisations, but not individuals, will be able to apply to their local Member for a grant. A legitimate organisation is one which has its own bank account and which can demonstrate that it has at least one of the following:

- Where relevant, independently verified statements of account or at least, a formal letter from an independent person with the requisite ability and practical experience to carry out a competent examination of the accounts
- A published statement of its objectives
- A committee or board of governors or trustees
- Minuted meetings and an annual general meeting

What type of projects/initiatives are covered by the scheme?

Groups and organisations can apply for funding for both revenue (one-off) and minor capital projects. Revenue grants should generally be used to support short term project related costs e.g. a time limited activity group for children. General revenue funding to pay for the running costs of the core service or function of an applicant organisation should only be grant funded after particularly careful consideration of the application and where the Member supporting the grant is satisfied that;

- The applicant organisation is not statutory body e.g. a Council, a school or a NHS body.
- The revenue support required is generally regarded as 'one off'.
- The applicant organisation has a viable plan to balance its budget in future years.
- The applicant organisation will remain viable and in existence for the financial year in question.

It is expected that the grants will benefit a wide range of groups/activities: for example, vulnerable children or adults, young people, facilities for older people, community facilities, parish councils (but only for specific projects), schools minor traffic or safety works, local environment projects, and community safety.

How will applications be judged?

Applicants for grants must demonstrate that their project or initiative contributes to one or more of the County Council's Corporate priorities:

- **Hampshire safer and more secure for all** – The County Council's overarching priority is about developing and supporting stronger, safer communities for all by protecting vulnerable people, maximizing safety in

the places we live, helping young people to live positive lives and helping diverse communities to feel secure.

- **Maximising wellbeing** - This priority is about maintaining and improving quality of life and ensuring everyone has the opportunity to support themselves, be active in their community and have access to the services they need.
- **Enhancing our quality of place** - This priority is all about making the County a good place to be by protecting local distinctiveness and diversity, ensuring excellent facilities, respecting Hampshire's heritage and planning proactively for the future

Who can apply?

Applications can be made by a wide variety of organisations and groups located within the administrative County of Hampshire, but the organisation or group must have a bank account, and (for grants over £5,000) provide a set of accounts and, where relevant, details of the organisation's child/adults safeguarding policy. Applications from religious groups may be considered, but the application must show that the project will bring wider community benefit. Applications from Maintained Schools, Academies, District, Borough or City Council's, National Park Authorities, the Police, the Fire Service and the NHS may also be considered but only when the applicant can demonstrate that the grant will support an additional community benefit and will not be used to supplement the core services or functions of that organisation. A list of organisations that would be generally eligible is attached at Appendix 2.

Who can't apply?

Applications will not be accepted from individuals (e.g. for personal sponsorship) or from political parties or groups affiliated with a political party or from lobbying organisations. A list of organisations that would generally not be eligible is attached at Appendix 2.

The approval process

Organisations/groups applying for a grant must complete the appropriate application form, using the electronic application process

<http://www3.hants.gov.uk/grants.htm>

The Local Member is responsible for checking the eligibility of the applicant and the suitability of the grant applied for noting whether funding is being provided from elsewhere in the County Council already. Individual Members will agree which applications they wish to support and it is the responsibility of the Member to advise applicants of the outcome of their grant application.

When deciding whether or not to recommend a grant for approval Members must give due regard the public sector Equality duty by consciously thinking about to the need to:

- Eliminate unlawful discrimination including harassment, victimisation and any other conduct prohibited by the Equality Act 2010:
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it: and
- Foster good relations between people who share a protected characteristic and people who do not share it

As part of the decision making process, Protected characteristics are –

age, disability, gender reassignment, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief, sex and sexual orientation.

The County Council's current executive arrangements do not make provision for non-executive members to authorise expenditure. Therefore the final decision on whether a grant is awarded (after it has gone through a checking process) will be made at officer level based on the recommendation of the Member.

The County Council's Code of Conduct for Members must be adhered to by Members when deciding which grants to recommend for approval. The Member should declare any Non Pecuniary Interest so that the officer approving the grant is aware of that interest. If a Member has a Disclosable Pecuniary Interest in any matter under consideration or a Non Pecuniary Interest that the Member believes would influence his/her judgement on the matter the interest should be declared and the Member should take no further part in the matter, other than to inform the applicant about this and refer them to another named Member who will consider the application and recommend it for approval or refusal in the normal way. If the application is approved, the expenditure will be drawn from the budget of the Member to whom the application was first directed, subject to a maximum limit specified by that Member.

Timetable

The opening date for the scheme is 1 June and the deadline for submitting grant requests to the Director of Policy and Governance is the 28 February in each financial year.

Financial issues

The minimum grant payable is £100 and the maximum grant payable is £8,000.

Members are encouraged to fully utilise their annual grant allocation in the financial year in question. Unspent budget allocations can though be carried forward except in the final year of an administrative term.

Grant payments will be one-off, and there should be no expectation of future funding. The grants are expected to support projects and not to contribute to an organisation's general revenue costs, other than revenue costs supporting projects and in the circumstance referred to above. Annually recurring costs should generally not be supported.

The scheme may be used to facilitate match funding from other organisations, but match funding is in no way a requirement.

The County Council is not able to undertake feasibility work to assess the merits of an initiative/project, nor to assist applicants in making their bid beyond advising on the application process.

Publicity

The scheme will be published, e.g. on the County Council's website, but support from the County Council's corporate communications team will not be available to publicise individual Members' grants. Members must deal with all correspondence and media comment that arises from their grants and fully recognise with the media and others that the grant has been provided by the County Council in furtherance of the County Council's priorities.

Administration of the scheme

Funding recommended by Members will be processed and payments made by the Corporate Resources Department.

Audit and reporting

The scheme will be subject to scrutiny in the same way as any other County Council budget would be. Members must therefore retain all original documents including application forms and correspondence for at least six years for future reference by either internal or external audit. In the event that a Member ceases to be a Member of the County Council during that period then all records held by that member relating to member grants should be returned to the County Council for safekeeping

All successful applicants will be expected to report, to the Member who approved the grant, on how the money was spent, either in the form of a letter or by providing a set of accounts which shows details of the expenditure.

Details of qualifying grants awarded will be recorded and published as an Executive Decision made by an Officer in accordance with Access to Information requirements.

APPENDIX 2**Examples of Generally Eligible Organisations (as may be amended from time to time)**

This is not intended to be an exhaustive list - other organisations who seek to serve the people of Hampshire may well qualify, provided that they satisfy the Council's priorities.

- Parish Councils (for specific projects only)
- Scout, guide, boys and girls brigade local organisations
- Religious groups (where the project will bring wider community benefit)
- Shopmobility (local)
- Citizens' Advice Bureau (local)
- Riding for the disabled (local)
- Village or community hall associations
- Age Concern, Mencap
- British Legion, Services' benevolent societies
- Parent teacher associations (formally constituted)
- Organisations promoting the locality
- Nursery education groups
- Maintained Schools, Academies, District, Borough or City Council's, National Park Authorities, the Police, the Fire Service and the NHS (when the applicant can demonstrate that the grant will support an additional community benefit and will not be used to supplement the core services or functions of that organisation)

Examples of Organisations that are not Eligible (as may be amended from time to time)

- Any political party
- Any organisation with political aims
- Any campaigning group (CPRE, Friends of the Earth, etc)
- Any organisation that raises funds nationally - for national distribution (unless the applicant can demonstrate that the funds will be applied locally)
- Any pressure group formed solely for one issue
- Any group formed to oppose any proposed/likely County Council policy