

# CHESHIRE EAST COUNCIL

## Cabinet Member for Performance and Capacity

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**Date of Meeting:** 15<sup>th</sup> February 2010  
**Report of:** Head of Policy & Performance  
**Subject/Title:** Policy for the Allocation of Grants for 2010/2011

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### **1.0 Report Summary**

- 1.1 To enable Cheshire East Council to continue with its grants service for the next financial year, a policy and procedures need to be agreed.
- 1.2 The grants system will be fundamentally reviewed during 2010/2011 to ensure that the Council has an equitable system offering a balanced portfolio of grants.
- 1.3 Currently, the aim of the grants scheme is to support small scale community projects that will improve the quality of life for local communities. A policy was adopted in August 2009 to guide the allocation of these grants. Grants were made by the former authorities towards the core costs of a number of voluntary organisations. During 2009/2010 these grants were continued and budgets identified.
- 1.4 In addition payments were made by the former Crewe & Nantwich Borough Council to mitigate the impact of double taxation. These comprised grants to parish councils in the sum of £58,449 and ward budgets of £24,000.
- 1.5 The total identified budget is £773,975.

### **2.0 Recommendations**

- 2.1 To adopt the existing Policy for the Allocation of Community Grants for a further 12 months and allocate £63,000 to fund this.
- 2.2 To agree to continue existing grants to the key strategic organisations funded in 2009/10. To enable the same level of grant aid to be provided, an allocation of £550,240 is required.
- 2.3 For 2010/2011 to agree to fund those other voluntary organisations which received grants from the former authorities and provided budgets have been identified and transferred to Partnerships. The level of grant to remain at current levels and to enable this to happen, the remainder of the grants pot, ie. £160,735, be allocated for this purpose.
- 2.4 All organisations receiving grant for 2010/11 to be advised that they must not assume continuation to future years.

- 2.5 Applications from any other organisations only be considered if there are exceptional circumstances such as an organisation facing closure. In any such incidences the portfolio holder to determine the level of grant and agree the funding source.
- 2.6 To continue the payment of grants to parishes in the former Crewe & Nantwich area for a further 12 months, the £58,449 concerned to be funded from reserves.
- 2.7 To discontinue the payment of ward budgets to Crewe members.
- 2.8 To undertake a fundamental review of grant funding with a view to having new policies and practices in place for the 2011/12 financial year.

### **3.0 Reasons for Recommendations**

- 3.1 The Community Grants policy was adopted in August 2009 and applications were invited from organisations who met the criteria. The Council recognises the valuable input that the voluntary and community sector brings to the quality of life in the community. Funding is focused on those organisations that complement the aims and objectives of the Corporate Plan. A large number of organisations have received funding over recent months which has enabled a wealth of community activity to take place. A similar demand for funding is anticipated for the coming year.
- 3.2 The strategic organisations funded (eg CVS, CAB) make a significant contribution in helping the Council achieve its objectives for Cheshire East. A future grants scheme may make provision for such funding to be covered by SLAs and to be for a longer term than one year. However, whilst proposals for the longer term are being developed, it is essential that funding to these organisations remains at least at current levels.
- 3.3 A number of other organisations depend on their grant funding for some of their core costs. If the Council decides to discontinue this funding it will be necessary to assess the implications of that and also give proper notice to the organisations concerned to enable them to plan. Whilst comprehensive grants schemes and criteria are being drawn up, it is suggested that it would be inappropriate to do anything other than provide funding to current levels.
- 3.4 However, all organisations to be advised that a review is underway and that they must not depend on funding for 2011/2012.
- 3.5 This recommendation provides a contingency in case exceptional circumstances arise. This is particularly important during a time of economic downturn as the voluntary sector may face funding challenges. However, any additional funding provided will impact on the budget provision and this will need to be assessed and its impact considered.

3.6 To mitigate the impact of double taxation, Crewe & Nantwich Borough Council agreed to make payments to parish councils and ward members. Ward budgets were paid on the basis of £1 per property and parish grants at £2.

3.7 Formal authority is requested to undertake a comprehensive review.

#### **4 Wards Affected**

4.1 The recommendations relate to all wards within Cheshire East

#### **5.0 Local Ward Members**

5.1 All Ward members

#### **6.0 Policy Implications including - Climate change - Health**

6.1 Positive impact

#### **7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)**

7.1 None

#### **8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)**

8.1 The recommendations will enable grants from 2010/2011 to be funded within existing budget provision

#### **9.0 Legal Implications (Authorised by the Borough Solicitor)**

9.1 The Council's legal powers for awarding these grants are contained in various statutes, including Section 137 of the Local Government Act 1972, and Section 2 of the Local Government Act 2000. In addition, the Council should ensure that there is a transparent process and policy in respect of determining the level of grant subsidy to any community group.

#### **10.0 Risk Management**

10.1 The risk of not agreeing an approach to funding the community & voluntary sector is that some organisations may be unable to continue their activities, resulting in a loss of community benefit. This is a particular issue during an economic downturn when other funding sources may not be available.

#### **11.0 Background and Options**

11.1 A decision is required to enable the allocation of grants to voluntary and community organisations in 2010/2011.

## **12.0 Overview of Year One and Term One Issues**

12.1 To enable the continuation of grant funding.

## **13.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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