

## **Cabinet**

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**Date of Meeting:** 10 July 2018

**Report Title:** Corporate Grants Policy

**Portfolio Holder:** Cllr Paul Bates, Finance and Communication

**Senior Officer:** Mark Palethorpe, Executive Director - People

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### **1. Report Summary**

- 1.1. The Council's Constitution Section 6.29 and 6.30 refers to a policy setting down the approach to be taken to the allocation of grants, donations and other contributions to outside bodies. This report is seeking acceptance of a Corporate Grants Policy for the operation of grants schemes in Cheshire East Council for 2018/2019.
- 1.2. To accompany the Corporate Grants Policy, a Grant Funding Protocol has also been developed. If approved, the Policy and Protocol would provide guidance on the considerations to be taken into account when making decisions in relation to allocation of grants, donations and other contributions to outside bodies.

### **2. Recommendations**

- 2.1. That Cabinet:
  - 2.1.1. Approve the draft 'Corporate Grants Policy' (Appendix 1).
  - 2.1.2. Approve the draft 'Grant Funding Protocol' (Appendix 2).

### **3. Reasons for Recommendation/s**

- 3.1. The draft Corporate Grants Policy sets out the overall approach to be taken to the allocation of grants, donations and other contributions to outside bodies.
- 3.2. The Grant Funding Protocol will provide further guidance on how the Council determines whether assistance is to be provided by way of grant funding or whether a service is to be commissioned and thereby be subject to the procurement procedures.

3.3. There are many different service areas across Cheshire East Council that currently offer grant schemes or may wish to introduce a grant scheme in the future. The Corporate Grants Policy and Grant Funding Protocol outlines that the award of grants should be aligned to meet the strategic outcomes in the Council's Corporate Plan.

3.4. All Council departments have budgetary pressures. This means all financial decision should stand up to public scrutiny. Aligning grant schemes with the Council's strategic outcomes provides an opportunity to be more targeted with limited resources in achieving the set priorities of the Council. This will allow us to maximise the difference we make to people in our communities.

3.5. Whilst some grant schemes operate under strict criteria and policies, not all service areas operate in this way. As such the Corporate Grants Policy and Grant Funding Protocol will clearly set the principles and criteria within which all schemes must operate. A key element in this, is defining the differences between grants and competitive procurement, with a pathway to follow when deciding the most appropriate route to secure the desired outcomes of the service area.

#### **4. Other Options Considered**

4.1. Doing nothing is not an option. The introduction of the Corporate Grants Policy and accompanying Grant Funding Protocol helps to address best practice and ensure all grant schemes operate within compliance.

#### **5. Background**

5.1. The Corporate Grants Policy and Grant Funding Protocol will provide overarching corporate guidance to ensure consistency in the application, scoring and monitoring of grants which currently varies widely across the Council. Each grant scheme will need to have its own scheme, application process and monitoring procedures in place.

5.2. There are a large number of individual grant schemes operating within the Council. These include the:

- Early Help and Community Grants
- Disabled Facilities Grant
- Disability Relocation Grant
- Affordable Warmth Grant
- Macclesfield Shop Front Grant Scheme

- Healthy Pupils Capital Fund Grant
- Cultural Economy Grants.
- New Homes Bonus [to be introduced in 18/19]

As such, there is a need to that each grant has an appropriate scheme in place which complies with the policy and protocol.

- 5.3. It is likely that other grant schemes will be introduced in the future. Adoption of the policy will also mean schemes created in-year apply the same approach.

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

6.1.1. The Council has the power to award grants to organisations using its general power of competence in section 1 of the Localism Act 2011. In exercising the power the Council must satisfy its public law duties. In essence this means that in making the decision the Council must have taken into account only relevant considerations, followed procedural requirements, acted for proper motives and not acted unreasonably. A grant policy is a clear statement of the criteria that the Council is applying and is essential if the Council is to defend any challenge to its decision making process. An overarching Corporate Grants Policy provides a consistent basis upon which policies are created and reviewed regularly.

6.1.2. The accompanying Protocol provides guidance on whether a service should be procured in which case the Council's Contract Procedure Rules apply, or whether it should be grant funded, in which case the aims and principles of the overarching Corporate Grants policy should be applied.

### **6.2. Finance Implications**

6.2.1. The options have no overall financial impact to the council as total Cheshire East budgets will remain the same, grants awarded in any year will only be awarded up to the budgeted amount.

6.2.2. This Grant Funding Protocol has been developed to provide further guidance on grant funding and should be read in conjunction with paragraphs 6.29 to 6.33 of the Authority's Finance Procedure Rules. Please note that in accordance with the Constitution the making of grants up to £50,000 is delegated to Officers. Grants between

£50,000 and £100,000 shall be approved by the relevant Portfolio Holder and grants over £100,000 shall be approved by Cabinet.

6.2.3. The Cheshire East Council budget includes in excess of £200m of grant payments, but, by value, this mostly relates to grants that are received from Central Government, with conditions, and payments are then passported to appropriate individuals or organisations. The main grants are for Housing Benefit Payments and the Dedicated Schools Grant and these are not subject to the proposed Corporate Grants Policy. The Grants Policy applies where the Council is applying discretion and then managing the associated outcomes of providing funding. The policy applies to both Revenue and Capital Grants. By applying a consistent policy to grant payments the Council will be able to enhance the demonstration of the value for money requirements linked to working with third parties.

### **6.3. Equality Implications**

6.3.1. An Equality Impact Assessment will be completed.

### **6.4. Human Resources Implications**

6.4.1. Introduction of the corporate grants policy will be managed through existing resources within the Adult Social Care Commissioning Team.

### **6.5. Risk Management Implications**

6.5.1. The risk of not agreeing a corporate grants policy is that the council's constitution, which makes reference to a policy setting down the approach to be taken to the allocation of grants, donations and other contributions to outside bodies, will not have the necessary policy in place.

### **6.6. Rural Communities Implications**

6.6.1. There are no negative implications on the rural community as all of the Council's grants schemes are open to anybody to apply, as long as they meet each specific schemes criteria.

### **6.7. Implications for Children & Young People**

6.7.1. Moving towards an outcome focussed approach gives greater opportunity for organisations to meet the needs of children and young people.

## **6.8. Public Health Implications**

6.8.1. Grant schemes gives a positive health outcome as people are coming together in community groups and meeting other, like-minded, community members, which reduces social isolation.

## **7. Ward Members Affected**

7.1. The implications of the introduction of a Corporate Grants Policy and Grant Funding Protocol are borough wide.

## **8. Consultation & Engagement**

8.1. Engagement took place with the voluntary, community and faith sector during the development of the Early Help Framework.

## **9. Contact Information**

9.1. Any questions relating to this report should be directed to the following officer:

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