

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker	Executive Member for Policy and Resources
Date:	9 March 2021
Title:	Member's Devolved Budgets-updated Protocol
Report From:	Director of Transformation and Governance – Corporate Services

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Purpose of this Report

1. The purpose of this Report is to propose updates and changes to the Member's Devolved Budget Scheme including clarifying the position when Members have a conflict of interest or are unable to act for any reason.

Recommendation

2. That the updated Protocol for the Governance of the Member's Devolved Budget Scheme set out in Appendix 1 is approved.

Executive Summary

3. This Report seeks to succinctly outline the history of the scheme, the reasons why changes are proposed to the Protocol and to explain the proposed changes.

Contextual information

4. 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.
5. The scheme was updated on 28 June 2013 and on 9 April 2015 following reports 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 and to allow grants to support revenue funded activities in

limited circumstances. The aim being to ensure that the maximum possible community benefit could be derived from the scheme.

6. For legal reasons, the authority to make the final decision on the award of a grant under this scheme is currently delegated to the Director of Transformation and Governance. It is however clearly established that individual Members are responsible for checking the eligibility of applicants and the compliance with the protocol before recommending grants for approval.

It is now proposed to further amend the Scheme to:

- clarify the position where a Member has a conflict of interest;
- clarify the position where a Member is unable to act due to illness or incapacity or where a seat for a Division becomes vacant for whatever reason;
- to update the reference to the County Council's Corporate Priorities;
- add a requirement for Members to consider the County Council's Climate Change Priorities when considering grants, and to;
- clarify that a Member's grant allocation must be spent in the budget year, meaning that no grant budget can be carried forward to a subsequent year.

The New Protocol

7. The new Protocol follows the form of the Protocol established in 2007 and amended in 2013 and 2015. It is not therefore proposed to rehearse the basic structure of the scheme in this Report but rather to highlight, as in paragraph 7 above, where the new Protocol differs from the Protocol approved in 2015.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</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	28 June 2013
Member's Devolved Budgets-updated Protocol	<u>9 April 2015</u>
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

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	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

No equality impacts have been identified as a result of the recommendation in this Report.

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 and
- 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 a statutory body e.g. a Council, a school or an 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 and
- 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](#)

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 Community 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. Applications from such organisations will usually be received from a fundraising arm, such as a school's Parent Teacher Association (PTA). 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 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.

When considering whether or not to recommend a grant for approval, Members should also have regard to the County Council's [Climate Change Strategy](#) and in particular the agreed targets for Hampshire of carbon neutrality by 2050 and of developing resilience to a 2c rise in temperatures.

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.

Conflicts of Interest

The [County Council's Code of Conduct for Members](#) must be adhered to by Members when deciding which grants to recommend for approval. Members must declare any Personal Interest (including full details of the nature of any such interest) to the Leader of the Council and the relevant Democratic Services Officer in a grant application, so that the Officer approving the grant is aware of that interest. If a Member has a Disclosable Pecuniary Interest (DPI) in any matter under consideration, or a Personal Interest where a decision in relation to it might reasonably be regarded as affecting the wellbeing or financial position of the Member, his family or person with which the Member has a close association more than other council tax payers, ratepayers or inhabitants of the County Council's administrative area, the Member should take no further part in the matter, other than to:

- stipulate the maximum budget available for the grant,
- inform the applicant that due to a conflict of interest the matter is being referred to another Member for consideration; and
- refer the matter to the Leader of the Council who shall depute consideration of the grant application to another named Member who, after being fully briefed by the Democratic Services Officer on the relevant interest, 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.

Illness or other Absence of Member

In the event that a Member is not able to deal with grant applications as a result of illness or incapacity, or if a Member's seat falls vacant for any reason then the Leader of the County Council shall nominate another Member of the County Council to consider and make recommendations in relation to grant applications from that Member's division until such time as the Member is fit to resume duties or the vacant seat is filled.

Timetable

The opening date for the scheme is normally 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. There is no maximum threshold, but a Member may not overspend the individual grant budget allocated to them by the County Council.

Members are encouraged to fully utilise their annual grant allocation in the financial year in question. Unspent budget allocations cannot be carried forward.

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 circumstances 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 six years from the end of the current financial year 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, if 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
- Community 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