

Report to:	CABINET	Date: 13 April 2022
Subject:	Discretionary Grants Update Report	
Report of	Cabinet Member for Corporate Affairs and HR	

Summary

1. An internal audit review of the Elected Members Discretionary Grants scheme was undertaken in 2021, the review contained four recommendations, including that a report be provided to the Council's Cabinet on Elected Member expenditure at year end.

This report provides Cabinet with an update in relation to the Member's Discretionary Grants scheme, guidance issued to members, internal audit review, recipients and plans going forward.

Recommendation(s)

2. That Members note the content of the report.

Reasons for recommendation(s)

3. As set out in the summary.

Alternative options considered and rejected

4. Not applicable.

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Background

5. In October 2017 Cabinet agreed a new approach to community grants as part of the implementation of the Borough's Neighbourhood Engagement Framework. The Neighbourhood Grant Investment Framework allocated a three-year programme of funding which covered Elected Member Discretionary Budgets, this ended in September 2020.

An annual allocation (£1000) is made to each Elected Member, this must be used to directly benefit the Ward providing the funding or where projects are

identified which have a wider benefit, contributions can be made to jointly fund schemes.

Each Elected Member in the Ward will have their own allocation, but at their request and following agreement with other ward Councillors, these funds can be combined to work on a Ward basis.

Members were advised that all monies must be spent by the 28th February 2022, thus avoiding any potential conflicts of interest in respect of spend during the election purdah period. If a Member fails to spend their allocated budget the money is returned to the Council.

Following the success of the discretionary grants, supported by all parties funding was extended beyond September 2020, oversight of the scheme was transferred from the Social Engagement Team to Democratic Services.

Members were encouraged to consider ways in which their spend could support the 10 point recovery plan for the Borough as outlined at Cabinet on 29th July 2020. These priorities cover tackling poverty, developing a Bury Opportunity guarantee, promoting community voice and supporting community wellbeing.

A further extension was agreed to the Member's Discretionary budget scheme for the 2021/2022 municipal year and that it continued to be provided by Allpay and administered through Democratic Services. The extended scheme included more rigorous monitoring and requirements for Councillors to provide proof of their spend, this information will be published on the Council's website.

By publishing the Discretionary Grant spend on the Council's website and requiring Member's to provide proof/receipts and invoices this will help to alleviate any concerns from the ongoing internal audit review.

2. The Scheme

- ***What can be funded?***

The Discretionary Grant Scheme was designed to be fluid; funds may be used to make financial contributions either directly to schemes undertaken by departments of the Council or can be awarded to voluntary or community groups or constituents.

Ward Councillors are at the heart of local communities and are key to Championing the Council's 'Let's Do It' Strategy within their ward connecting people and groups into activity to deliver the desired outcomes.

The vision is for Councillors in each Ward to:

- Meet on a regular basis to agree local priorities.
- Encourage community groups to get involved in local democracy.
- Oversee the delivery of public services at neighbourhood and ward level by supporting the development of ward and neighbourhood plans.

- Be consulted on development / local application of policy and services changes, including health & care.

- **Support for Ward Councillors**

Support will be provided to Elected Members in their role as Ward Councillors by encouraging them to meet regularly with local voluntary and community partners to bring together co-designed place-based schemes and projects within their wards.

- **Discretionary Grants Scheme**

Ward Councillors are provided with £1000.00 as a discretionary grant to enable them to sponsor small-scale local needs quickly and responsively. The grants can be used to contribute to the delivery of schemes within their wards, offer support to a wide range of different groups including voluntary organisations and community groups.

Members will be provided with timely data and soft intelligence to evidence where funds might best be directed to meet local need and will be sighted on opportunities and ensuring they contribute to the delivery of priorities.

Members will be supported with recording and reporting of spend which will also be published on the Council's website.

Internal Audit Review

Shortly after Democratic Services assumed responsibility for oversight of the scheme internal audit commenced a review. The subsequent internal audit report (considered at Audit Committee in November 2021) included four recommendations: (Appendix 1)

1. Guidance and training should be put in place to provide clear protocols on how the Discretionary Budgets should be spent and recorded. Guidance should detail what money can be spent on and who payments can be made to, to avoid conflicts of interest and accusations of impropriety. Guidance should also include instructions to hold the card securely and details of action to be taken if a card is lost or stolen.
2. Transactions should be processed through the financial management system, Unit 4 to enable the VAT element to be accounted for correctly.
3. Expenditure of the Members Discretionary Budget should be regularly monitored, and a clear audit trail should be in place to evidence that the spend is appropriate.
4. The spend should be monitored and Councillors should be provided with regular budget monitoring reports.

Following agreement at the Democratic Arrangements Forum, Elected Member Discretionary Grants Guidelines document was prepared and circulated to all Members, (Appended 2).

Members were advised that all purchases made by themselves needed to be supported by a receipt or invoice to confirm that the spend was appropriate . All requests for money to be transferred required a description of what the money would be used for.

Regular emails are sent to all Councillors advising on spend as well as this report to Cabinet. Spend will be reported on the Council website.

4 Councillor Spend

Following the decision to continue with the Scheme in September 2020 all Elected Members All pay cards were topped up to £1000. Those that had not spent any monies did not receive these additional funds:

- 14 Councillors **did not** receive additional funds in September 2020, (these Members had not spent any of their grant in the previous 12 months):-
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Pilkington Park – 1 Councillor	Radcliffe West – 2 Councillors	Ramsbottom – 3 Councillors	Unsworth – 3 Councillors	Sedgley Park – 1 Councillor
Redvales – 1 Councillor	North Manor – 1 Councillor	Radcliffe East – 1 Councillor	St. Mary's – 1 Councillor	

- From September to 19.02.2021, only 1 Radcliffe West Councillor did not spend their allocation.
- Up to March 2022, 4 Councillors have not spent their full allocation:-

Ward	Amount not spent
Besses	£13.48
North Manor	£200 (Funding allocated was covered by internal Council Department)
Pilkington Park	£1.82
Ramsbottom	£1000 (1 Member)

As evidenced above there has been significant advances in Member take up and Member engagement in the scheme.

A list of recipients benefiting from the scheme is attached at Appendix 3.

Examples of schemes that have been supported is provided at Appendix 4.

5 Next steps

Following agreement at Budget Council (February 2022) the scheme will continue for a further 12 months.

Monthly meetings with Ward Councillors and Community Hub Managers are now taking place, to agree local priorities and collective action. These discussions will assist Members in considering how they may wish to utilise their discretionary grants and reviewing spend to date. In addition, the Community assets and opportunities in each neighbourhood have now been co-designed with local community groups. This intelligence is directing the work of the Community Hubs and may again inform how members wish to direct their funding

All members will be issued with the Discretionary Grant guidance at the start of the Municipal Year and there will be a presentation on the scheme in conjunction with a community hub manager at the new Elected Member induction day, scheduled to take place on 12th May.

Links with the Corporate Priorities:

Please summarise how this links to the Let's Do It Strategy.

3. The *Let's do it!* Strategy sets out an ambition for greater engagement of residents and community groups with the work of the council, in the spirit of social participation. It is anticipated that maintaining a small amount of funding for local investment by ward councillors will support this aspiration. Such arrangements may now be supported by Community and Voluntary organisations who will develop the relationships to support councillors in directing and utilising their spend.

Equality Impact and Considerations:

Please provide an explanation of the outcome(s) of an initial or full EIA.

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- a. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b. advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Equality Analysis	<i>Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.</i>
On agreement of the Neighbourhood Engagement Framework (from which what the DG scheme originates) a Full Equality Analysis was undertaken	

Environmental Impact and Considerations:

Please provide an explanation of the carbon impact of this decision.

4.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Failure to accurately evidence how and where Elected Members spend their DG may make us subject to challenge.	All spend must be evidence by receipts and recorded at the end of year on the Council's website.

Legal Implications:

To be completed by the Council's Monitoring Officer.

5.

Financial Implications:

To be completed by the Council's Section 151 Officer.

6. The funding for Members discretionary grants was extended for a further year as part of the 2022/23 budget amendment. It is essential that proper budgetary controlled as outlined in this paper is exercised by all Members through the keeping of receipts and invoices for all expenditure incurred.

Background papers:

Please list any background documents to this report and include a hyperlink where possible.

Neighbourhood Engagement Framework

Covid-19 Response and Recovery Update

Operational Decision – Extension of Discretionary Grants

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning