



Author/Lead Officer of Report: Fayzeh Mohamed, Customer Service Manager

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Report of: Eugene Walker
Report to: Cllr Ben Curran
Date of Decision: 12th April 2017
Subject: Covenant Fund acceptance

Is this a Key Decision? If Yes, reason Key Decision:-

Yes ☐ No ☒

- Expenditure and/or savings over £500,000

☐

- Affects 2 or more Wards

☐

Which Cabinet Member Portfolio does this relate to? Cabinet Member for Finance and Resources

Which Scrutiny and Policy Development Committee does this relate to? Overview and Scrutiny Management Committee

Has an Equality Impact Assessment (EIA) been undertaken?

Yes ☐ No ☒

If YES, what EIA reference number has it been given? (Insert reference number)

Does the report contain confidential or exempt information?

Yes ☐ No ☒

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."

Purpose of Report:

To seek approval for the acceptance of a grant from the Ministry of Defence for the sum of £180,695 to support the work of the Armed Forces Covenant in the South Yorkshire region. Where Sheffield City Council is the Accountable Body for the grant and is responsible for awarding grants under partnership agreements to Sheffield Hallam and York St Johns Universities.

Recommendations:

That approval is given to:

Accept the Ministry of Defence Grant Offer of £180,695 and for Sheffield City Council to be named as the Accountable Body.

To delegate authority to the Executive Director of Resources in consultation with the Director of Finance and Commercial Services and the Director of Legal Services to enter into such Grant Funding Agreement with the Ministry of Defence.

To delegate to the Executive Director of Resources in consultation with the Director of Finance, Commercial Services and Legal Services to:

- a) Agree terms and conditions and thereafter to enter into Partnership Agreements with Sheffield Hallam and York St John Universities.
- b) To award grants under such Partnership Agreements in line with this report.

Background Papers:

Offer letter – MOD – including terms and conditions
Original application for the Covenant Fund

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Mark Wassell
	Legal: Henry Watmough-Cownie
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission: <i>Eugene Walker</i>
3	Cabinet Member consulted: <i>Cllr Ben Curran</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: <i>Fayzeh Mohamed</i>
	Job Title: <i>Customer Service Manager</i>
Date: 12 April 2017	

Proposal

Sheffield City Council led a bid to the Ministry of Defence Covenant Fund with the three other South Yorkshire Councils (Rotherham, Doncaster, and Barnsley). The bid was successful and we have been awarded a grant to support our work on the Armed Forces Community Covenant. We applied for a grant of £180,695 and have been offered the full amount requested.

What this grant will help us do:

We will gain a better understanding of and communication with the Armed Forces Community and strengthen the delivery of the Armed Forces Covenant across South Yorkshire.

The Armed Forces Covenant is the commitment made by Sheffield to support its armed forces community (previously known as the Armed Forces Community Covenant). The Covenant was signed by Sheffield City Council in 2011 and remains in place, the aims of the Covenant are to:

1. Encourage local communities to support the Armed Forces Community in their area;
2. Nurture understanding and awareness amongst the public of issues affecting the Armed Forces Community;
3. Recognise the contribution made by the Armed Forces Community;
4. Remember the sacrifices faced by the Armed Forces Community;
5. Encourage activities which help to integrate the Armed Forces Community into local life;
6. Encourage the Armed Forces Community to help and support the wider community, whether through participation in events and joint projects, or other forms of engagement.

It is the intention that the Project will be launched in June 2017 and will coincide with Armed Forces Day.

The grant will pay for the following:

- Consultation and mapping research (delivered by Sheffield Hallam University)
- Training for front line staff across the 4 Local Authorities and evaluation of the outcomes of this (delivered by York St John University).
- Building of strategic Covenant Action Plans across the 4 Local Authorities (delivered by Sheffield Hallam University)
- Evaluation of the research and Covenant planning activities (delivered by

Sheffield Hallam University)

All of this will be delivered in conjunction with Rotherham, Barnsley and Doncaster Councils who will support the project through in-kind funding (room bookings) and support to organise events and local engagement.

Within 4 weeks (**25th April**) of receiving the offer we must:

1. Accept the Offer and sign and complete the grant funding agreement.
2. Send an invoice for the first payment.
3. Send a draft copy of proposed partnership agreements with the two Universities

Within 2 months we must set out the finalised agreed milestones and payment schedule.

The grant of £180,695 will be used to deliver training and research delivered by York St John University and Sheffield Hallam University. The grant will therefore be paid by Sheffield City Council to the two Universities. York St John will be awarded £132,725 for the training elements of the project and Sheffield Hallam University will be awarded £47,970 for the research. This will be based on delivery of the outcome milestones which will be set out in the partnership agreement.

We are required to report against the finalised milestones 6 monthly and support is being sought from the Communities Contracts and Partnership Team to administer the fund. On-going monitoring will be undertaken by a Steering group led by Sheffield City Council involving all the key parties. An end of grant report is required.

As this is external funding where Sheffield City Council is acting as the accountable body and grant funding in excess of £50k will be transferred to third parties an ICM decision is required to authorise the payments of such funding as set out in this report.

Financial Implications:

Key features of the grant offer of £180,695 (not exclusive) are summarised as follows:

- The Project must be delivered within 2 years of the date of the funder offer (30/3/17).
- The Project is described in the Application Form and the grant must be used exclusively for the project.
- The MoD will monitor Project delivery against agreed milestones and SCC needs to track and demonstrate outputs and outcomes for the programme.
- Offer must be accepted within four weeks or the grant will automatically be withdrawn.

- Grant payments will be made 6 monthly using a grant invoice.
- Any partnership agreements with other organisations will need to be approved by the MOD. Payments to partners must not be made until these have been approved.
- SCC must comply with the publicity requirements of the grant agreement
- The funder must be informed if any offer of match funding for this Project is withdrawn or reduced or if additional funding is offered.
- SCC cannot use the grant to pay for any spending commitments before the date of the Grant Agreement.
- Unused grant must be held on trust for the beneficiaries of the Project. Any underspent grant must be returned to the funder.
- If the terms and conditions are not applied then the grant is subject to grant clawback.
- The project must start within three months of the Project Start Date.
- SCC is the accountable body on behalf of other parties for delivering the Project and must ensure that third parties are compliant with the grant terms and conditions
- The project maybe subject to an external audit.
- If the grant is being used to purchase assets or services over the amount determined by OJEU, SCC must follow the OJEU regulations.
- SCC must comply with the reporting requirements identified in the grant agreement.
- SCC must not use the grant in a way that constitutes unapprovable State aid otherwise the grant will have to be repaid.

The Project Manager will need to read, understand and comply with all of the terms and conditions in the grant agreement and will need to liaise with Commercial Services with regard to any OJEU / procurement requirements.

It is the intention of SCC that grant funding will be paid out to Sheffield Hallam University and York St John University for the work they do on behalf of SCC. The risks associated with this will be mitigated by back to back funding agreements.

SCC is also working with the other SY authorities (Rotherham, Barnsley, and Doncaster) and their support will affect the success of the project.

Legal Implications

1. There is no specific power that would enable the Council to support the

Armed Forces Covenant in the South Yorkshire Region. However, the General Power of Competence provided for in the Localism Act 2011 would enable the Council to do anything that individuals of full legal capacity may do giving the Council the power to take reasonable action it needs 'for the benefit of the authority, its area or persons resident or present in its area. This would include entering into a Grant Agreement with the Ministry of Defence for the provision of the grant funding and accordingly incurring expenditure on the project deliverables.

2. The Project is consistent with the Council's priorities to be an In Touch Organisation and to have Thriving Neighbourhoods and Communities in its Corporate Plan for 2015 -2018, by gaining a better understanding of and for engagement with the Armed Forces Community in South Yorkshire. The project will also support better health and wellbeing amongst the armed forces community and help to tackle inequalities that arise as a result of someone's service. The project will directly improve the understanding of the needs of the armed forces community amongst front line support staff.
3. The terms of the Grant Agreement have been reviewed to ensure that they are acceptable to the Council and the stated program for delivery of the Project's objectives is deliverable under them, which would also be compliant with the Council's Procedure Rules.
4. Its terms include provision for the following:
 - for a specified funding amount to be paid to the Council and for the Council to deliver required outcomes in accordance with defined project requirements;
 - monitoring of the progress of the Project and completion of defined activities under its terms;
 - a requirement for competitive tender for funded assets and services worth more than £10,000;
 - branding and publicity guidelines for the Project;
 - repayment of all or part of the grant for default under its terms.

Fayzeh Mohamed
Customer Service Manager