



## Executive Director/Director Non-Key Executive Decision Report

**Author/Lead Officer of Report:** M.Wassell  
Finance Manager External Funding

**Tel:** (2734031)

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**Report to:** Executive Director Place

**Date of Decision:** 17/05/2017

**Subject:** Grant Approval Scheme for Grant Offers that are not more than £100,000.

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**

Has an Equality Impact Assessment (EIA) been undertaken? Yes  No

**The report aims to approve a change in approval levels for grants not more than £100k in value.**

If YES, what EIA reference number has it been given? **(N/A)**

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*“The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended).”*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

The report seeks the approval of a scheme for accepting grant offers that are not more than £100,000 in value. The report also seeks authority for Heads of Service within the Place Portfolio to have delegated authority to approve grants under the scheme.

**Recommendations:**

- That the Grant Approval Scheme for grant offers that are not more than £100,000, detailed in this report, be approved.
- That the Heads of Service within the Place Portfolio be designated to have delegated authority to approve the acceptance of grant offers, under the Grant Approval Scheme

**Background Papers:**

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: <b>M.Wassell</b>
	Legal: <b>Brendan Twomey</b>
	Equalities: <b>Adele Robinson</b>
Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.	
2	<b>Lead Officer Name:</b> <b>M Wassell</b>
	<b>Job Title:</b> <b>Finance Manager External Funding</b>
<b>Date: 15<sup>th</sup> May 2017</b>	

## 1. PROPOSAL

- 1.1 The report seeks the approval of a scheme for accepting grant offers that are not more than £100,000. For clarity by “grant offers” the report means the acceptance of grant funding from funders. It does not deal with the process of the Council giving grants to other parties. The report also seeks authority for Heads of Service (at Director Grade level) within the Place Portfolio to have delegated authority to approve grants under the scheme.
- 1.2 The Council’s Leader’s Scheme of Delegation which governs most of the Council’s decisions limits the power to approve the Council acting as Accountable Body in respect of grants to Individual Cabinet Members or Executive Directors/Directors, depending on the value of the grant.
- 1.3 With an increasing volume of grant offers and applications across all Portfolios, many of which require a quick turnaround time in terms of approval, the pressures on Service Managers, Executive Directors and Directors has increased in recent times. Whilst all grant funding is important, many of the grant offers made are not always material in terms of value and impact and yet can be time consuming in terms of approvals. To give an example a low risk grant of £10,000 may take a significant amount of time in terms of report writing, review of terms and conditions, approvals and sign off - in many cases this can take up more time than grant offers of a much higher value.
- 1.4 In order to streamline the administration this report proposes a new grant approval process, the Grant Approval Scheme (the Scheme), whereby Executive Directors delegate authority to accept grants so that Heads of Service can approve, subject to review by the Finance Service and Legal and Democratic Services, grant offers of not more than £100,000 in value provided that the grant offer meets all of the following criteria:
- The grant offer is not funded by the European Union (EU). EU grants of not more than £100,000 may still have higher risks and more complicated terms and conditions.
  - The grant offer does not involve the award of grant aid to third parties
  - The grant offer does not involve guaranteeing the liabilities of any third party.
- 1.5 Where the grant offer meets all of the above criteria then the streamlined approval process under the Scheme, including the template for grants not more than £100,000 (see Appendix A) should be used. However where any of the criteria are not met, the grant may not be approved under the Scheme. In those circumstances, the approval should be acquired under the normal Council decision-making processes, in line with the Leader’s Scheme of Delegation.

1.6 In addition the following principles will also be applied to this process :

- In terms of key decisions a grant offer of not more than £100,000 is not expected to be significant in terms of its effect on communities living in two or more wards and is not therefore material. Should exceptional circumstances arise whereby a grant of not more than £100,000 was considered to be significant in terms of its impact on communities in 2 or more wards, rendering it a key decision, then the Scheme should not be used to approve the grant and instead it should be approved under the normal Council decision-making processes, in line with the Leaders' Scheme of Delegation.

- A Head of Service in respect of the grant offer that meets the Scheme criteria, where they consider appropriate, may decide that the grant should not be approved under the Scheme and requires approval under the normal Council decision-making processes.

1.7 The Legal and Governance Service along with the Finance and Commercial Service will continue to review the terms and conditions of each new grant offer as is the current practice. The Legal and Governance Service and the Finance and Commercial Service, where they consider it appropriate may recommend that a grant offer which meets the Scheme criteria should be approved under the normal Council's decision making process.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

2.1 A more efficient approval process for grant offers that are not more than £100,000 will mean time savings for Service Managers who will not have to produce detailed individual reports for each grant. Instead Service Managers will need to complete a more efficient fast track template thus enabling them to focus more of their time on frontline service delivery which will benefit the people of Sheffield. There will also be significant time savings for Executive Directors and Directors who will not need to review and approve each grant individually as this will be done by Heads of Service enabling Executive Directors and Directors to devote more time to managing higher Portfolio priorities.

## **3. HAS THERE BEEN ANY CONSULTATION?**

3.1 There is no statutory requirement to consult on these proposals. Further, it is considered that the proposals, which deal with efficiencies in the decision making process, do not give rise to a need to consult or an expectation that the Council will. Accordingly the Council has not carried out a consultation process in respect of the proposed Scheme approval process.

## **4.0 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 EQUALITY OF OPPORTUNITY IMPLICATIONS**

4.1.1 As a Public Authority, we have legal requirements under Section 149 of the Equality Act 2010. These are often collectively referred to as the 'general duties to promote equality'. To help us meet the general equality duties, we also have specific duties, as set out in the Equality Act 2010 (Specific Duties) Regulations 2011. We have considered our obligations under this Duty in this report and grant acceptance and found that there are no specific equality impacts in line with these duties.

### **4.2 FINANCIAL AND COMMERCIAL IMPLICATIONS**

4.2.1 There are no direct financial implications arising from this report.

### **4.3 LEGAL IMPLICATIONS**

4.3.1 The Localism Act 2011 provides local authorities with a "general power of competence" which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. A purpose of the Act is to enable local authorities to work in innovative ways to develop services that meet local need. The proposed scheme falls within the general power of competence. In addition, there is no specific statutory prohibition, preventing the Council from implementing the proposed scheme. The Council is therefore empowered to approve, implement and administer the proposed scheme.

4.3.2 The acceptance and management of grants should be in accordance with the Financial Regulations under the Council's constitution. For example the relevant Executive Director is required to ensure that all the funding body's conditions and criteria including any additional procurement requirements are met. Therefore officers managing the acceptance and administration of the individual grants will need to ensure they are aware of and act in compliance with the Financial Regulations.

4.3.3 The Leader's Scheme of Delegation provides that no decision that the Council will act as Accountable Body for external grant aid shall be taken without the prior agreement of the Executive Director, Resources or the Director of Finance. Under a recent restructuring process, the post of Director of Finance, has been deleted, replaced by a new post, The Director of Finance and Commercial Services. The new post exercises the functions previously exercised by the Director of Finance, including the above function. Therefore, before a grant offer may be accepted, where the Council is required to act as Accountable Body, officers managing the process should ensure that either the Executive Director, Resources or Director of Finance and Commercial Services has agreed that the Council may discharge this function.

4.3.4 The Council's Constitution provides that the Director of Finance is

responsible for agreeing the acceptance of all grant offers of external funding made to the Council. Under the restructuring process, referred to above, this function is now exercised by the Director of Finance and Commercial Services. Therefore, before a grant offer may be accepted, officers managing the process should ensure that the Director of Finance and Commercial Services has agreed the acceptance of the grant offer.

#### **4.4 OTHER IMPLICATIONS**

4.4.1 None

#### **5. ALTERNATIVE OPTIONS CONSIDERED**

5.1 To continue with existing Council approval processes for all grant offers not more than £100,000 in value where every grant, no matter how small, will require approval under the Council's normal decision-making process including approval at Executive Director or Director level. This will mean Service Managers having to spend more time writing reports and less time on service delivery. Executive Directors and Directors will also spend more time on reviewing and approving reports with less time spent on managing higher Portfolio priorities.

#### **6. REASONS FOR RECOMMENDATIONS**

6.1 To enable a more efficient approval process to be implemented for lower value/ lower risk grants which will reduce the work pressures on Service Managers, Executive Directors and Directors enabling more focus on frontline services without diminishing the necessary checks and controls exercised by both the Finance Service and Legal and Governance.