Committee Members Present: Councillors: G Minshull (Chairman), B Duffin, D Fulcher, T Lewis, T Palmer, R Savage and J Wilby

Apologies: Councillor: B Bernard

Cabinet Member in Attendance: Councillor: K Mason Billig

Officers in Attendance: The Director of Growth and Business Development (D Lorimer), the Head of Early Help (M Pursehouse) and the Senior Governance Officer (E Goddard)

1207 MINUTES

The minutes of the meeting of the Scrutiny Committee held on 28 June 2017 were confirmed as a correct record and signed by the Chairman.

1208 SCRUTINITY WORK PROGRAMME, TRACKER AND CABINET CORE AGENDA

The Committee noted the Work Programme, Tracker and Cabinet Core Agenda.
It was noted that a review of Member Grants was scheduled to take place in May 2018 but, as the Community Action Fund (CAF) budget had been fully allocated during the meeting of the CAF Panel held on 13 July 2017, there would be no CAF funding to consider at a May 2018 meeting. Officers agreed to remove the CAF element of this item.

Members also noted that, at the meeting of the Scrutiny Committee scheduled for 24 January 2018, the Committee would be assessing and considering the outcomes of the Business Plan Member Workshop, which was to be held on 11 December 2017.

1209 REVIEW OF THE COMMUNITY ACTION FUND AND MEMBER WARD GRANT SPENDING

Cllr Mason Billig advised the Committee that she was in attendance on behalf of Cllr Edney, who was unable to attend the meeting. Members passed on their well wishes to Cllr Edney for a speedy recovery. Members were advised that Cllr Billig would report any comments and recommendations from the Scrutiny Committee to Cabinet.

The Chairman reminded members that the process for Member Grants was member-led and advised that the Scrutiny Committee was required to assess the scheme and make any necessary recommendations regarding the process, rather than to scrutinise the individual funding decisions made by members.

The Committee firstly considered the Community Action Fund (CAF) and were generally in agreement that the process was working well. It was noted that the full CAF budget for 2017/18 had been allocated during the CAF Panel meeting held on 13 July 2017, as detailed on the decision notice contained within the Scrutiny Committee agenda.

In considering the Member Ward Fund process, members questioned the level of detail included in the decision notices, completed by members and were concerned that the limited information contained therein may not meet the requirements of the scheme nor enable the Council to identify how the funds were intended to be spent. It was suggested that members should be reminded of their obligations to ensure that the process was robust and transparent, and that they should be encouraged to insert more detailed and meaningful data within the decision notices.

In reviewing the process for both CAF and Member Ward funding, members were concerned to note that there was no audit trail to record outcomes from funded projects, no feedback or publicity around monies granted, no evidence of whether funded projects were sustainable, and no proof of whether the monies had in fact been used for the nature intended by members. Officers referred the Committee to the Member-Led Grant Rules and reminded members that, to comply with paragraph 7.6 in relation to the delivery of funded projects and activities, they must ensure that money was being spent appropriately and that delivery was as agreed. It was further noted that where monies were not used appropriately, members together with the Communities Manager, were responsible for
resolving disputes and taking action, including the withdrawal of funding, where appropriate. It was suggested that, for the Member Ward Fund, an additional column be added to the online table so that members could confirm when they had received notification that the funds granted had been used to deliver the intended outcome. It was also suggested that the link to the Member Ward Fund spend be included in future editions of the Members' Bulletin to remind members to complete this information.

In response to a member's suggestion that, in the event of a project ceasing, the Council should be able to remove any assets purchased through its funding, the Director of Growth and Business Development stated that most assets would tend to depreciate and not be of much worth in such an instance, and that the onus should be placed on the member to make every effort to satisfy themselves that any projects they decided to fund should be sustainable. Members discussed how best to assess the sustainability of local community groups and small businesses and it was suggested that, where a group requested funding, members inspected their constitution and/or accounts to enable them to make a better-informed decision. The Head of Early Help advised members that the Community Capacity Team was experienced in dealing with such instances and had, in the past assisted the local member to reallocate assets to new groups, when projects had ended. He added that the team was able to help members with wider funding needs and requested that members think of grant funding as just part of the role the Council could play in helping community groups.

In response to a query regarding whether a project could be funded by both CAF and Member Ward funding, officers clarified that this would only be possible where the project was being funded by CAF monies and the member wished to simultaneously allocate some or all of their Member Ward Fund grant towards it.

Concerns were raised regarding whether the process and practices in place would meet the approval of auditors and it was suggested that the Council’s internal auditors might be requested to examine the grants process to assess its compliance with legislation and to give a view on whether its objectives were being achieved.

Members discussed the level of the Member Ward Fund spent to date and it was reported that some members had found it difficult to identify projects in their Wards and although they had attempted to spend their budget, they had been unsuccessful for various reasons, such as restrictions in the ground rules and the availability of alternative funding. Although the Committee recognised that funding usually picked up towards the end of the financial year, some concerns were raised that unspent funds would be lost. Members questioned the future of the Member Ward Fund and suggested alternative ways in which the Member Ward Fund monies could be allocated. In response to a suggestion that members might be able to combine their budgets with other Wards, officers advised that the Council’s Constitution would need to be amended and that there would be further legislative complications within the Scheme of Delegation if members considered using their funding for projects in Wards other than their own. It was instead suggested that there be a ‘pot’ of unspent monies which could either be carried over to their Member Ward Fund for the next year, or added to the CAF budget and allocated as a second tranche of CAF monies. Members generally felt that, as the CAF had been over-subscribed in 2017, any unspent Member Ward Fund monies remaining at the end of the calendar year, should be transferred to the
CAF and a second CAF Panel be held. However, due to the resource involved in convening an extra CAF Panel meeting, it was felt that this should only take place in that same financial year where the level of unspent funds totalled £10,000 or more, and where the unspent funds were less, this should be rolled over to the CAF for the next financial year.

It was then:

**RESOLVED:** to recommend to Cabinet that:

1. Internal auditors examine the grants process to assess the scheme to ensure compliance and that objectives are being achieved;

2. Members are reminded that to comply paragraph 4.6 of the Ground Rules in relation to a transparent audit trail of decisions, members should ensure that details in the Member Ward Grant decision notice adequately outlines what the money is being spent on and the outcomes to be achieved;

3. Members are reminded that to comply with paragraph 7.6 of the Ground Rules in relation to the delivery of funded projects and activities, members must make sure that money is being spent appropriately and ensure that delivery is as agreed. In doing so, it is also recommended that the table outlining spend of the Member Ward Grants, which is published on the council’s website, includes an additional column to indicate when the local member has undertaken this;

4. The Ground Rules be amended at paragraph 7.4 in respect of unspent monies so that from 2018/19, any unspent monies in the Member Ward Grant budget as at 1 January is allocated to the Community Action Fund (CAF). If those monies total £10,000 or above, then a CAF Panel should be arranged before the end of the financial year. If the monies total £9,999 or below, the money will be rolled over to the next financial year.

(The meeting concluded at 10:58 am)

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Chairman