

POLICY AND RESOURCES SCRUTINY COMMITTEE - 29TH SEPTEMBER 2009

**SUBJECT: REVENUE GRANT BUDGETS – CORPORATE SERVICES AND
PERFORMANCE & POLICY**

REPORT BY: DIRECTOR OF CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To notify Members of grant funding included within the 2009/10 budgets for Corporate Services and Performance & Policy.

2. SUMMARY

- 2.1 The report covers revenue grant funding notified to the Authority to date, by external funding bodies, in respect of 2009/10, for the service areas concerned.
- 2.2 The report excludes grant-funded schemes where CCBC merely act as bankers for Partnership schemes.
- 2.3 Further grant awards may be received during the course of the year.
- 2.4 The report is provided to aid discussions on the grant administration arrangements, and follows the overarching report on grant allocations considered by this Committee on 21st April 2009

3. LINKS TO STRATEGY

- 3.1 The Council has a number of corporate strategies and this report deals with the use of resources in the achievement of those strategies.

4. THE REPORT

- 4.1 Grants originate from various sources, though most are received from the Welsh Assembly Government. Appendix 1 gives a list of grants currently included in the budgets, and a brief description of the use of the grant funding.
- 4.2 Grant funding applies in the main to specific schemes and initiatives, and is often time limited.
- 4.3 The current administration arrangements are such that each grant has an agreed set of conditions. The grant funding body at year-end requests information to satisfy itself that the grant monies have been spent in accordance with its terms and conditions
- 4.4 The majority of grant-funded schemes are subject to external audit, though some schemes, with a value less than £50k, are classified as 'de minimis' and do not require an external audit
- 4.5 The Auditors will assess expenditure against the terms and conditions of the grant. This assessment would normally comprise a random sample of spend, followed by an in-depth scrutiny of the sampled items. This could involve ensuring proper procurement processes

have been adhered to, and/or assets purchased have been located, along with the confirmation that spend complies with the conditions of the grant. Any issues identified will be investigated; and could lead to a need to review a larger sample of expenditure. Failure to properly comply with grant terms and conditions can lead to grants having to be repaid to funding bodies and even, in some instances, to additional penalties being levied.

- 4.6 The External Auditors produce a report annually summarising any issues that have come to light during their audit of the Authority's grants.

5. FINANCIAL IMPLICATIONS

- 5.1 Grant funding levels and schemes can change regularly leading to uncertainty of funding. The majority of grant-funded schemes are subject to external audit; expenditure must comply with the grant terms and conditions, and/or bids. Failure to comply may result in a qualification of the grant by the External Auditors, which could result in the clawback of the grant funding.

6. PERSONNEL IMPLICATIONS

- 6.1 Where posts are funded from grant, they may not be sustainable in the longer term.

7. RECOMMENDATIONS

- 7.1 Members are requested to note the contents of the report.

8. REASONS FOR THE RECOMMENDATIONS

- 8.1 Members note the information provided in this report, and request more detailed reports from the identified responsible officers where appropriate.

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Cllr. J. Taylor – Chairman, Policy & Resources Scrutiny Committee
Cllr. M. E. Sargent – Vice-Chairman, Policy & Resources Scrutiny Committee

Background Papers:
Grant Allocation Reports 2009/10

Appendices:
Appendix 1 Grant List