

## RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER

This form **MUST** be used to record any decision taken by the Elected Mayor or an individual Executive Member (Portfolio Holder).

The form must be completed and passed to the Service Manager (Committee & Administrative Services) no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Service Manager (Committee & Administrative Services) has confirmed the decision has not been called in.

**1. Description of decision**

To approve a further extension, until 31 March 2017, to the time allowed to claim the previously agreed funding of £25,000 towards the cost of preservation and renovation of the Harrold Centre (formerly known as the Harrold Institute).

**2. Date of decision**

11<sup>th</sup> August 2016

**3. Reasons for decision**

To allow sufficient time for the completion of the project in order for the Harrold Centre to be able to claim the sum previously awarded by the Rural Affairs Committee.

**4. Alternatives considered and rejected**

The alternative option of not extending the time for claiming the grant was considered and rejected.

**5. How decision is to be funded**

The grant will be funded from the accrued sum of £25,000 within the budget allocated for rural grants.

**6. Conflicts of interest**

| Name of all Executive members who were consulted AND declared a conflict of interest. | Nature of interest | Did Standards Committee give a dispensation for that conflict of interest? (If yes, give details and date of dispensation) | Did the Chief Executive give a dispensation for that conflict of interest? (If yes, give details and the date of the dispensation). |
|---|--------------------|--|---|
|   |                    |  |   |

The Mayor has been consulted on this decision

n/a

Signed Don Hodgson

Date: 11<sup>th</sup> August 2016

Name of Decision Taker MAYOR DAIZ HODGSON.

This is a public document. A copy of it must be given to the Service Manager (Committee & Administrative Services) as soon as it is completed.

Date decision published: 12 AUGUST 2016

Date decision can be implemented if not called in: 23 AUGUST 2016

(Decision to be made exempt from call in.....NO)

**Bedford Borough Council – Report to the Mayor**

**August 2016**

**Report by the Assistant Chief Finance Officer**

**Subject:     GRANT REQUESTS FROM RURAL ORGANISATIONS**

**1.     Executive Summary**

This report requests the Mayor to agree to an extension to the time allowed for claiming a Rural Grant award in light of unavoidable project delays reported by the applicant organisation.

**2.     Recommendation**

**The Mayor is requested to approve a further extension, until 31 March 2017, to the time allowed to claim the previously agreed funding of £25,000 towards the cost of preservation and renovation of the Harrold Centre (formerly known as the Harrold Institute).**

**3.     Reason for Recommendation**

To allow sufficient time for the completion of the project in order for the Harrold Centre to be able to claim the sum previously awarded by the Rural Affairs Committee.

#### 4. Key Issues

##### 4.1 Legal Issues

The Council must have the power to provide grant funding to the organisation concerned. A source of power for payments to “voluntary organisations” (which are defined to be “a body which is not a public body but whose activities are carried on otherwise than for profit”) and to charitable bodies (in furtherance of their work in the United Kingdom) is s.137 of the Local Government Act 1972. A further source of power is the Localism Act 2011.

##### 4.2 Policy Issues

The Rural Affairs Committee has previously agreed guidelines to be used in the evaluation of applications for rural grants. The current guidelines are shown at **Appendix A**.

##### 4.3 Resource Issues

A sum of **£25,000** has been accrued in the budget allocated for rural grants pending a claim for reimbursement from The Harrold Centre.

##### 4.4 Risk Implications

In awarding any grant there is a small risk that funding may be used for purposes other than that for which the award is made. To safeguard against this risk, rural grant awards are only released to the applicant upon receipt of evidence that the work for which the award was made has been completed.

##### 4.5 Environmental Issues

No adverse environmental implications have been identified as arising from the projects for which funding is sought.

#### 4.6 Equality Impact

In preparing this report, due consideration has been given to the Borough Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010.

A relevance test for equality has been completed. The equality test determined that the activity has no relevance to Bedford Borough Council's statutory duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. An equality analysis is not needed.

#### 5. Details

- 5.1 The Mayor is requested to consider the request for an extension to the period for claiming an award having regard to the approved criteria attached at **Appendix A**. Recipients are normally expected to claim a grant within two years of it being awarded but the criteria and guidelines for the award of rural grants do allow for the time for the grant to be claimed to be extended for up to one further year where there have been delays to a project. The proposed extension to 31 March 2017 will be three years from the date of the original award.
- 5.2 At their meeting of 1 April 2014, the Rural Affairs Committee considered an application from The Harrold Centre (formerly known as the Harrold Institute) and awarded a sum of **£25,000** towards the cost of preservation and renovation of the building.
- 5.3 The Committee subsequently reaffirmed the terms of the award at their meeting of 10 February 2016 in light of proposed changes to the project, following an unsuccessful bid for funding to the Heritage Lottery Fund.
- 5.4 Under the terms of the original award, the Harrold Centre had up to two years to draw down the funding i.e. by 2 April 2016; however, the organisation reported to the meeting of 9 February 2016 that, due to project delays in the tendering process, the Harrold Centre would not be in a position to claim funds for Rural Grants for some months. The Rural Affairs Committee agreed, therefore, to extend the period that the award could be claimed for a further six months until 9 August 2016.
- 5.5 The organisation has recently reported that the works at the Harrold Centre are now expected to commence towards the end of August 2016. Since the work will not be complete before the current deadline for claiming the grant the organisation has

requested that a further extension be considered in order to ensure that the funding remains available to complete the project. In order to ensure that there is sufficient time to allow for completion of the project and release of the rural grant funding without the need to a further extension it is recommended that the deadline for claiming the grant is extended until 31 March 2017.

## 6. **Summary of Consultations and Outcome**

The following Council Units or Officers and/or other organisations have been consulted in preparing this report:

None

*Report Contact Officers:* Lee Phanco, Assistant Chief Finance Officer  
*E-mail:* [lee.phanco@bedford.gov.uk](mailto:lee.phanco@bedford.gov.uk)

*File Reference:* LP/rural grants

*Previous Relevant Minutes:* None

*Background Papers:* None

*Appendices:* A – Criteria Rural Grants

**CRITERIA – RURAL GRANTS**

**Agreed 9 February 2016**

- (a) An application can be made by a rural organisation or a rural Parish Council. The Borough Council must be satisfied that the Rural Parish Council considers the application to be in the interests of their local inhabitants. An application will not be accepted unless it has been signed by the Chairman or Clerk to the Parish Council stating it to be in the interests of their local inhabitants.
- (b) Applications can be made at any time, although they will only be considered by the Committee three times a year (normally, in April, September and January). To ensure an application is considered applicants should ensure that it is submitted six weeks before the date of the meeting. The Mayor may consider urgent applications at other times where it is considered appropriate that the application be considered outside of the normal committee cycle.
- (c) Grants may only be made for capital projects.\*
- (d) Applicants seeking funding towards building projects valued at £100,000 or more are required to submit a Business Plan in support of the project and may be required to make a presentation to the Rural Affairs Committee.
- (e) Applicants seeking funding towards a project of £20,000 or more may be required to make a presentation to the Rural Affairs Committee at the first meeting that will consider the application.
- (f) The Borough Council must have the statutory power to make a grant for the purpose applied for (for example, community premises improvements/refurbishments to such premises and provision of recreational facilities).
- (g) Applicants are required to demonstrate that their projects meet one or more of the Council's Corporate Plan objectives as set out in the application form.
- (h) Projects which would normally be funded by statutory agencies, are unlikely to be eligible for a grant (e.g. improvements to street lighting, improvements to educational premises (unless to facilitate community use)).

- (i) Funding for projects on land not directly in the ownership of the organisation concerned will ordinarily only be considered if the organisation can demonstrate that the land will be available for use for the purpose of the grant for a period of at least 10 years (e.g. the construction of a multi use sports area on third party land leased to an organisation for a period of over 10 years).
- (j) The Borough Council wishes to see its assistance maximised and, in any event, it may not have sufficient resources to assist all the requests put forward by a rural organisation or a rural Parish Council. The Borough Council would prefer to give assistance to a Rural Parish Council or an organisation approved by the Parish Council that has made efforts to provide a reasonable contribution from its own resources or other sources. **Therefore, the Council's contribution to a project in the form of a rural grant will normally be limited to 50% of the cost of the project** and applicants should be able to demonstrate that at least 50% of the cost of the project will be met from sources other than the Borough Council such as:
  - (i) Fundraising generally;
  - (ii) Grant applications from other bodies;
  - (iii) Seeking loan assistance from the Association of Local Councils;
  - (iv) Loan from the Public Works Loan Board;
  - (v) Fundraising from the Parish Precept; and
  - (vi) Contribution by the Parish Council.
- (k) In determining the grant application due regard will be given to the level of contribution proposed by the Parish Council, the level of non-earmarked reserves held by the Parish Council and level of Council Tax Precept. Capital projects in rural parishes generally provide benefit mainly to the immediate community of the parish. The rural grants scheme recognises that parishes may experience difficulty in raising finance for capital projects, however, it is expected that local residents should contribute towards the cost of projects which will directly benefit the local community. Therefore, normally applications where the Parish Council is contributing towards the cost of a project will be viewed more favourably than applications where the Parish Council is not contributing.
- (l) In determining the grant application from organisations other than Parish Councils due regard will also be given to the level of financial reserves held by the organisation, the annual income and expenditure, and the ability or otherwise to generate additional income.

- (m) Levels of past funding by the Borough to individual Parish Council areas and parish precepts may be taken into account in assessing new grant requests.
- (n) Where funding is awarded the Borough Council will not be responsible for meeting any ongoing revenue costs. Applicants may be required to demonstrate that arrangements are in place to meet any ongoing costs arising from the project. Evidence may be requested that the project and/or its ongoing operation will meet any legislative requirements (for example health and safety requirements).
- (o) Where funding is awarded the recipient organisation will, if considered appropriate by Bedford Borough Council, be required to display a plaque provided by Bedford Borough Council recognising the grant awarded or otherwise will be required to recognise the funding on their letter heads/publicity material.
- (p) Where funding is awarded, payment will be made to the Parish Council upon completion of the project and receipt of evidence of the completion and the costs incurred (for example receipts for payments and a copy of the supplier's invoice). Where the funding is a contribution to a larger or more complex project consideration may be given to the release of funding on a phased basis as elements of the project are completed, subject to the whole project being fully funded and scheduled for completion (applicants requesting release of part or all of the funding prior to completion of the whole project should contact the Borough Council prior to commencement of the project).
- (q) Support for any project will normally be limited to £20,000 and the maximum amount awarded in respect of projects in any parish area should not normally exceed £20,000 in any period of two financial years.
- (r) Applications in excess of £1,000 will not normally be considered unless three independent quotations are provided for each aspect of the works, goods or services, costing in excess of £1,000 for which the grant is sought. Awards will be based on the lowest quote provided except where the applicant can demonstrate that this option does not represent the best value for money. The Borough Council may seek independent corroboration of any costs/quotes set out in the application.
- (s) Release of funding will be dependent upon the whole project being fully funded unless otherwise explicitly stated in the award letter.

- (t) Awards must be claimed within two years of the award being approved. Where unavoidable delays arise in respect of the project, and it is not possible for the award to be claimed within two years, the applicant should contact the Borough Council to request an extension to the claim period setting out the reasons for the delay. Where the Borough Council is satisfied that the delays are unavoidable an extension of up to one year will be allowed to the claim period. Normally only one extension will be allowed after which time a new application will be required.
  - (u) Awards must be used only for the purposes set out in the application and as specified in the award letter. Where a change is proposed to the project, for any reason, the applicant must seek confirmation from the Committee that the offer of funding remains valid.
  - (v) In the event that the cost of either the project as a whole or specific items for which a grant has been awarded are less than set out in the application, the Council may reduce the award accordingly. Applicants are advised to seek confirmation of the final award in these circumstances
  - (w) It is expected that VAT will be reclaimed wherever possible where the applicant is a Parish Council. Applications should clearly set out the VAT element of any costs and state the position regarding the reclaiming of VAT. Where, in the opinion of the Borough Council, VAT may be reclaimed any award will be based on costs net of VAT.
- \* Capital expenditure is generally expenditure on the acquisition or enhancement of an asset. Expenditure on routine maintenance and repair cannot normally be classed as capital expenditure.