

For publication

Delegation Scheme and Constitution – acceptance of grants

Meeting:	STANDARDS AND AUDIT COMMITTEE
Date:	6 TH DECEMBER 2023
Cabinet portfolio:	GOVERNANCE
Directorate:	CORPORATE

1.0 Purpose of report

- 1.1 To seek approval of an update to the Constitution to clarify delegations relating to grants offered to the Council.

2.0 Recommendations

- 2.1 That members confirm the changes to Constitution, and agree the delegations, proposed at Appendix 1.
- 2.2 That appropriate guidance be developed by officers for grants applications and receipt of them by the Council and their monitoring.

3.0 Reasons for Recommendation

- 3.1 To ensure effective and efficient operation of the Council.

4.0 Report Details

- 4.1 The Constitution is a key document, required by law, which sets out the principal powers, duties and procedures of the Council. It also sets out in Part 3 to whom decision making over the Council's various functions is delegated.

- 4.2 The current form of Constitution has been in place since the early 2000s, using a government model. Most council constitutions follow a similar format, though some are now moving away from it. The constitution is publicly available on the Council's website at

<https://www.chesterfield.gov.uk/your-council/the-council/the-constitution.aspx>

- 4.3 The Constitution needs to be changed and updated from time to time to ensure it reflects current legislation, practices, functions, structures and efficient working of the authority.
- 4.4 Full Council considers the main changes and other changes are delegated to Standards and Audit Committee. Any consequential amendments and general updates are the responsibility of the Monitoring Officer.

Grant offer acceptance

- 4.5 This report relates to situations where the Council has applied for and has been offered grants, rather than where the Council awards grants to third parties.

- 4.6 The Council has a very successful record of seeking and being awarded grants from external bodies. Often these involve substantial sums and are in relation to e.g. regeneration and capital projects.
- 4.6 While grants often contain standard provisions relating to record keeping, draw-down and reporting on spend they do frequently contain provisions relating to repayment of some or all of the grant in the event of a breach of terms of the grant agreement, so they contain matters which would be potential financial and reputational risks for the Council in the event of non-compliance.
- 4.6 Currently the Constitution is silent on where authority should be obtained to accept a grant. While the relationship between the grant awarding body and the Council is akin to the relationship in a formal contract, and there is a contractual relationship between the parties, it is considered that the Constitution should set out specific delegations for the grants process rather than rely on general contract governance provisions.
- 4.7 It is considered too that a process should be developed so that potential applications and grant awards can be monitored, advice given by the Procurement Service and that appropriate guidance developed, potentially to cover the whole process whereby the Council applies for, receives, and uses external grants.
- 4.8 Proposed amendments are set out in Appendix 1. While there are proposed officer / Cabinet Member thresholds depending on value of the grant offer, there is an ability to use the officer delegation in the event that grant conditions are not onerous, after a review by relevant officers from procurement, legal and the relevant service.

Decision information

Key decision number	<i>All key decisions must be in the Forward Plan at least 28 days in advance. There are constitutional consequences if an item is not in the Forward Plan when it should have been. Contact Democratic Services if in doubt.</i>
Wards affected	All
Links to Council Plan priorities	to provide value for money services

Document information

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Background documents	
The Council's Constitution – on Council website https://www.chesterfield.gov.uk/your-council/the-council/the-constitution.aspx	
<i>This must be made available to the public for up to 4 years.</i>	

Appendices to the report	
Appendix 1	Proposed changes to Constitution
Appendix 2	Proposed changes to HR related delegations

Appendix 1

Constitution changes requiring approval by Standards and Audit Committee

Council Constitution:

<https://www.chesterfield.gov.uk/your-council/the-council/the-constitution.aspx>

Where appropriate changes are shown in red below.

Part 3 – Delegation Scheme – Acceptance of Grant offers

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3.3 FUNCTIONS OF ANY CABINET MEMBER

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Acceptance of offers of a grant to the Council

G####L Subject to G####D, to determine whether or not the Council should accept the offer of a grant from an external organisation of over £100,000

OFFICER DELEGATIONS: To the appropriate Service Director

G####D *To approve acceptance of the offer of a grant from an external organisation of up to £100,000 and*

G####D *To approve acceptance of the offer of a grant from an external organisation over £100,000 where the Head of Procurement in consultation with the relevant service manager / service director and the Head of Regulatory Law or Property Procurement and Contracts Manger considers that the risks associated with the terms and conditions of the grant offer are not sufficiently onerous for the Council to warrant a decision by the Cabinet Member.*