

CABINET SCRUTINY COMMITTEE – 18 JANUARY 2006

- Report Title: **Proposals for Allocation of 2005/06 Second Homes Monies in Dover**
- Documents Attached:
- (a) Correspondence between Leader of Dover District Council; then-Leader of KCC and Cabinet Member for Finance, November/December 2004*.
 - (b) Detailed procedure for the allocation of second homes monies in 2005/06 as agreed by Cabinet on 11 April 2005.
 - (c) Extract from "Around Kent" magazine, July/September 2005.
 - (d) Letter from Chairman of Dover Local Board dated 27 July 2005*.
 - (e) E-mail correspondence between Leader of Opposition and Assistant to the Chief Executive, August 2005*.
 - (f) Letter from Strategic Director, Resources, to all County Councillors (as Local Board Members) dated 30 September 2005*.
 - (g) Notes of meeting of Dover Local Board Members, 27 October 2005*.
 - (h) Letters from Chairman of Dover Local Board to other Board Members and to Cabinet Member for Finance, December 2005*.
- Purpose of Consideration:
- (a) to establish whether the correct procedures were followed in this case.
 - (b) to seek assurances that any 2005/06 second homes monies allocated within Dover will be properly accounted for.
- Possible Decisions:
- The Committee can:-
- (a) make no comments; or
 - (b) express views to the Leader of the Council; the Cabinet or the Council.

20 April 2005

Previous Consideration:

The Committee has considered issues relating to the allocation of second homes monies on a number of previous occasions, most recently at its meetings on 20 July (Minute 15); 29 June (Minute 3(b)); 20 April (Minute 63(1)); 16 March (Minute 58); 16 February 2005 (Minute 55); and 28 October 2004 (Minute 35).

Cabinet considered and agreed a detailed procedure for the allocation of second homes monies in 2005/06 (*attached – document (b)*) at its meeting on 11 April 2005 (Minute 3 - Decision 05/00632).

Background Documents:

None.

* These documents were supplied by and are included at the request of the Chairman of the Committee

20 April 2005

**KENT COUNTY COUNCIL
RECORD OF CABINET DECISION**



DECISION TAKEN ON

Cabinet
11 April 2005

DECISION NO.
05/00632

Second Homes 2005-06

3 - Report by Mr Nick Chard, Cabinet Member for Finance and Mr David Lewis, Strategic Director (Resources))

- (1) This report detailed the process to be used for the allocation of funds arising from Second Homes income in 2005/06.
- (2) Mr Chard said this income would be spent within the District Council's geographical areas, in proportion to the amount of additional income each District Council raised.
- (3) Cabinet noted that a report would subsequently be submitted detailing the total amount of Second Homes money along with the amount allocated to each District,. For 2005-06 it was proposed at least the lower of **66%** or **£70k** of each District's allocation would be used to support highways/footpaths works.
- (4) Cabinet then agreed the allocation of Second Homes money in 2005-06 as follows:-
 - (i) It was proposed that the Cabinet Member for Finance be granted, under this process, delegated authority to approve allocations to individual schemes within the District allocations.
 - (ii) In exercising the delegated authority referred to in paragraph 4(i) above the Cabinet Member for Finance would approve allocations based upon the recommendations of the Local Board Chairmen, and in agreement with the KCC Cabinet Member with service responsibility, for the proposed expenditure.
 - (iii) In making their recommendations to the Cabinet Member for Finance, Local Board Chairmen were expected to have consulted their appropriate district council and their other Board Members. Local Board Chairmen must assess their recommendations in accordance with the criteria as set out in Appendix 1 which accompanied the Cabinet report. All recommendations put forward to the Cabinet Member for Finance by the Local Board Chairmen must be in accordance with this criteria.
 - (iv) Once a payment or tranche of payments was agreed, it would be necessary to go through the formal Member decision making process before the payment/payments could be made.
 - (v) All payments would be dealt with through the Council's normal authorisation and payments processes.
 - (vi) Individual allocations to schemes, once approved, would be published in the weekly Member Information Bulletin. At year end, or once the total budget has been allocated to individual organisations, whichever is sooner, a list of all payments made would be reported back through Cabinet for information.

Second Homes 2005-06 Cont'd

These guidelines set out the framework and criteria for assessing the suitability of proposals for allocating grants from second homes money.

Eligibility:

- ◆ Grants would only be given to organisations that were 'properly constituted'. This included organisations such as parish and town councils, district councils and KCC, voluntary and community groups, churches, societies and charities. Organisations would be required to provide copies of latest accounts, or minutes of latest AGM, or Charity Commission registration number with application as evidence.
- ◆ The funding was one-off with no on-going revenue or capital commitments.
- ◆ All expenditure must be in line with KCC's Constitution, Financial Regulations and related guidelines – funding should not simply replace funding from another source.
- ◆ The money could be spent on revenue or minor capital items.

Decision-making criteria:

Priority would be given to projects that:

- ◆ Support KCC's "Next Four Years" strategy and/or
- ◆ Underpin the "Vision for Kent" and Public Service Agreement and/or
- ◆ Enhance KCC's Supporting Independence Programme.

Payment of Grant:

- ◆ Funding would normally be released to a bank account by BACS transfer and only in exceptional circumstances in the form of a cheque.
- ◆ Recipients of funding would be required to provide written evidence that the expenditure had been incurred for the purpose it was provided and to give details of the benefits achieved.
- ◆ If, for any reason, the purpose for which the funding was provided was not fulfilled, the grant would be repayable to KCC by the receiving organisation.

Other Key Points of Framework:

- ◆ The timing of expenditure decisions and any associated local publicity must comply with the Code of Practice on Local Authority Publicity and have specific regard to the provisions relating to the conduct in the run up period to local elections.

20 April 2005

Second Homes 2005-06 Cont'd

- ◆ In an election year, no commitment or expenditure would be made within the financial year until after the annual meeting of the County Council immediately following the election.
- ◆ Members must have regard to the Code of Member Conduct when proposing any expenditure and must specifically comply with any requirements relating to the declaration of personal or prejudicial interests.
- ◆ Due regard would be had to any officer advice on the legality of proposed expenditure. In this respect the final arbiters were the County Secretary and the Strategic Director (Resources).
- ◆ All payments must be dealt with through the Council's normal authorisation and payments processes.

The reasons for this decision were set out above and in the Cabinet report.

Background documents: None

April 2005

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Signed Mike Pitt (Chief Executive)

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Decision Referred to Cabinet Scrutiny			
YES		NO	✓

Cabinet Scrutiny Decision to Refer Back for Reconsideration			
YES		NO	

Reconsideration Record Sheet Issued			
YES		NO	

Reconsideration of Decision Published			